



May 2, 2005

VIA FACSIMILE & FEDERAL EXPRESS

Craig Melodia
Associate Regional Counsel
U. S. Environmental Protection Agency
Office of Regional Counsel (C-14J)
77 West Jackson Boulevard
Chicago, IL 60604-3590

Re: Response to March 8, 2005 Request for Information Pursuant to Section 104(e) of CERCLA for Solvay Coke and Gas, Milwaukee, Wisconsin

Dear Mr. Melodia:

On March 21, 2005, Beazer East, Inc. received a Request for Information ("Request") addressed to "Koppers Company aka Beazer East Inc. and Three Rivers Management Inc." from the United States Environmental Protection Agency ("U.S. EPA") regarding the Solvay Coke and Gas Site (the "Solvay Site" or the "Site") located at 311 East Green Avenue, Milwaukee, Milwaukee County, Wisconsin. Pursuant to a telephone conversation with Craig Melodia on March 29, 2005, Beazer was given an extension until May 2, 2005 to respond to U.S. EPA's Request.

Please note that, by providing the following responses to U.S. EPA's Request, Beazer does not waive, and specifically reserves, any and all objections, rights and defenses that it may have with respect to this matter. In making its responses, Beazer does not purport to have adopted or applied any definitions or instructions set forth at the outset of, or at any other place in, U.S. EPA's Request, other than as expressly acknowledged in these responses. Subject to this reservation, Beazer responds to U.S. EPA's Request.

We have searched our historical files for information pertaining to the Solvay Site, and have made the following determinations, to the best of our knowledge and ability:

Beazer believes that Koppers Company ("KC"), a corporate predecessor of Koppers Company, Inc., now known as Beazer East, Inc. ("Beazer"), knew the Solvay Site as the "Milwaukee Coke" plant. KC acquired 100% of the stock of the Milwaukee Coke and Gas Company ("MCGC") as a result of a series of transactions during the period between August 1926 and May 1927. MCGC owned and operated the Milwaukee Coke plant before, during and after that time period. KC sold all of the MCGC shares to American Light and Traction Company in or about July of 1928. MCGC remained a separate entity during the approximately one year period that KC owned the shares of stock of the company. After July 1928, no Koppers entity had any corporate ownership relationship with MCGC or the Milwaukee Coke plant.

We have located very little information responsive to most of U.S. EPA's individual

information requests. The limited information we have located is indicated below in our responses to your individual requests.

Request for Information and Responses

1. Did you ever use, purchase, store, treat, dispose, transport or otherwise handle any materials, including hazardous substances, at the Site? If the answer to the preceding question is anything but an unqualified "no", identify:
 - a) the chemical composition, characteristics, physical state (e.g. solid, liquid) of each material;
 - b) who supplied you with such material;
 - c) how such materials were used, purchased, generated, stored, treated, transported, disposed of or otherwise handled by you;
 - d) when such materials were used, purchased, generated, stored, treated, transported, disposed of or otherwise handled by you;
 - e) where such materials were used, purchased, generated, stored, treated, transported, disposed of or otherwise handled by you;
 - f) the quantity of such materials used, purchased, generated, stored, treated, transported, disposed of or otherwise handled by you.

RESPONSE: During the period 1948-1967, Beazer, then known as Koppers Company, Inc., purchased coal tar generated at the Milwaukee Coke plant. The tar was loaded into rail cars and shipped to a Koppers plant in Chicago. Beazer has located no other information responsive to this request. See documents attached at Tab A

2. State the dates during which you owned, operated, or leased the Site and provide copies of all documents evidencing or relating to such ownership, operation, or lease arrangement (e.g., deeds, leases, etc.).

RESPONSE: Beazer never owned, operated, or leased the Site.

3. Identify all persons having knowledge or information about the generation, transportation, treatment, disposal, or other handling of hazardous substances by you, your contractors, lessors, or by prior owners or operators at the Site.

RESPONSE: Beazer is unaware of any such individuals.

4. Identify the prior owners of the Site. For each prior owner, further identify:
 - a) the dates of ownership;

- b) all evidence showing that they controlled access to the Site; and,
- c) all evidence that a hazardous substance, pollutant, or contaminant, was released or threatened to be released at the Site during the period that they owned the Site.

RESPONSE: MCGC owned and operated the Site prior to, during and following the period that KC owned the shares of MCGC. Beazer has not located any information pertaining to the ownership history of the Site subsequent to the time KC sold the shares of MCGC to American Light and Traction Company in 1928.

5. Identify the prior operators, including lessors, of the Site.

For each operator, further identify:

- a) the dates of operation;
- b) the nature of prior operations at the Site;
- c) all evidence that they controlled access to the Site;
- d) all evidence that a hazardous substance, pollutant, or contaminant was released or threatened to be released from the Site and/or its solid waste units during the period that they were operating the Site.

RESPONSE: MCGC owned and operated the Site prior to the period that KC owned the shares of MCGC.

6. Have you or any other person working with you or on your behalf ever accepted waste materials, including hazardous substances, for transportation to the Site from any person? If the answer to this question is anything but an unequivocal "no", identify:

- a) The persons from whom you or, such other persons accepted waste materials for transport to the Site;
- b) Every date on which waste materials were so accepted or transported;
- c) For each transaction, the nature of the waste materials accepted or transported, including the chemical content, characteristics, physical state (e.g., solid, liquid), and the process for which the material was used or the process which generated the material;
- d) For each material, describe any warnings given to you with respect to its handling;
- e) The owner of the materials so accepted or transported
- e) The quantity of the material involved (weight or volume) in each transaction and the total quantity for all transactions;

RESPONSE: No.

7. Identify all persons, including yourself, who may have arranged for disposal or arranged for transportation for disposal or treatment or arranged for disposal or treatment of waste materials, including hazardous substances, at the Site. In addition, identify the following:
- a) The persons with whom you or such other persons made such arrangements;
 - b) Every day on which such arrangements took place;
 - c) For each transaction, the nature of the waste materials accepted or transported, including the chemical content, characteristics, physical state (e.g., solid, liquid), and the process for which the substance was used or the process which generated the substance;
 - d) The owner of the waste materials or hazardous substances so accepted or transported;
 - e) The quantity of the waste materials or hazardous substances involved (weight or volume) in each transaction and the total quantity for all transactions;
 - f) The person(s) who selected the Site as the place to which the hazardous materials or hazardous substances were to be transported;
 - g) Where the person identified in f) above intended to have such hazardous substances or waste materials transported and all evidence of this intent;
 - h) What was actually done to the waste materials or hazardous substances once they were brought to the Site;
 - i) The final disposition of each of the waste materials or hazardous substances involved in such transactions;
 - j) The measures taken by you to determine the actual methods, means, and site of treatment or disposal of the waste material and hazardous substances involved in each transaction;
 - k) The type and number of containers in which the waste materials or hazardous substances were contained when they were accepted for transport, and subsequently until they were deposited at the Site, and all markings on such containers;
 - l) The price paid for (i) transport or (ii) disposal or (iii) or both, of each waste material and hazardous substance;
 - m) All documents containing information responsive to a)-l) above, or in lieu of identification of all relevant documents, provide copies of all such documents;
 - n) All persons with knowledge, information or documents responsive to a)-l) above.

RESPONSE: Beazer never arranged for disposal or arranged for transportation for disposal or treatment or arranged for disposal or treatment

Craig Melodia, Esq.

May 2, 2005

Page 5

of waste materials, including hazardous substances, at the Site.

8. Identify the acts or omissions of any person, other than your employees, contractors, or agents, that may have caused the release or threat of release of hazardous substances, pollutants, or contaminants, and damages resulting therefrom.

RESPONSE: Beazer has no information responsive to this request.

9. If you have reason to believe that there may be persons able to provide a more detailed or complete response to any Information Requests or who may be able to provide additional responsive documents, identify such persons.

RESPONSE: Beazer has no information responsive to this request.

10. Provide copies of all local, state and federal environmental permits ever granted for the Facility or any part thereof (e.g. RCRA permits, NPDES permits, etc.)

RESPONSE: Beazer has no information responsive to this request.

The certification statement requested in the Instructions will follow this response under separate cover.

Should you have any questions regarding this matter, please feel free to contact me at the telephone number listed.

Sincerely,

Handwritten signature of William F. Giarla, with a large, stylized flourish extending to the right.

William F. Giarla

Beazer East, Inc.

One Oxford Centre, Suite 3000

Pittsburgh, PA 15219

Telephone: (412) 208-8843

Facsimile: (412) 208-8803/26

TS✓

J. D. May

Control Section

Milwaukee Solvay Coke Co. , Inc.

Tar Procurement

July 29, 1962

Attached for your files is a fully executed copy of a new contract we have negotiated with Milwaukee Solvay Coke Company, Inc. for the purchase of their tar.

Two conformed copies of this new contract are also enclosed for your use, and conformed copies have been sent to those listed below.

E. D. Lesch

k

cc: J. D. May -2 (Plus executed copy)

D. W. Weimer

T. Smith

W. R. Stickel

W. E. Walters

A G R E E M E N T

THIS AGREEMENT, Made this 1st day of June, 1962, by and between MILWAUKEE SOLVAY COKE COMPANY, INC., (hereinafter referred to as "MILWAUKEE"), a Wisconsin corporation, having its principal office at Milwaukee, Wisconsin, and KOPPERS COMPANY, INC., (hereinafter referred to as "KOPPERS"), a Delaware corporation, having its general office at Pittsburgh, Pennsylvania:

W I T N E S S E T H:

That in consideration of the respective undertakings hereunder, the parties hereto, each intending to be legally bound hereby, covenant and agree, respectively, as follows:

ARTICLE I

DEFINITIONS

The term "gallon" wherever used herein, shall be understood to mean a United States standard gallon of Two Hundred Thirty-one (231) cubic inches.

The words "MILWAUKEE'S PLANT", wherever used herein, shall be understood to mean MILWAUKEE'S Coke plant, as now constituted, located at Milwaukee, Wisconsin.

The words "KOPPERS' PLANT", wherever used herein, shall be understood to mean the crude tar processing plants operated by KOPPERS at Chicago, Illinois.

The word, "TAR", wherever used herein, shall be understood to mean the crude coke oven tar produced by MILWAUKEE at MILWAUKEE'S PLANT.

The words, "Coal Tar", wherever used herein, shall be understood to mean crude coal tar produced solely from coal or coal sprayed with oil charged into by-product coke ovens and received at KOPPERS' PLANT.

The term "delivery", wherever used herein, shall be understood to mean the contents of each tank car, tank truck or barge of TAR shipped from MILWAUKEE'S PLANT to KOPPERS' PLANT or to a destination other than KOPPERS' PLANT.

ARTICLE II

PERIOD OF THIS AGREEMENT

This Agreement shall be and remain in full force and effect for a period of five (5) years commencing June 1, 1962 and terminating May 31, 1967, and thereafter for successive additional periods of five (5) years each, providing either party hereto may terminate this Agreement at the end of the initial period hereof or any such successive additional period by giving to the other party written notice of its intention to terminate at least one hundred and eighty (180) days prior to the end of the then current period.

Each calendar year falling within the term of the Agreement shall constitute a "contract period".

ARTICLE III

TAR SOLD AND PURCHASED

MILWAUKEE shall sell to KOPPERS and KOPPERS shall purchase from MILWAUKEE, during the period of this Agreement, all TAR produced by MILWAUKEE at MILWAUKEE'S PLANT on the terms and conditions hereinafter set forth.

ARTICLE IV

DELIVERY OF TAR

As directed by KOPPERS, MILWAUKEE agrees to pump all TAR sold hereunder into tank cars (and/or tank trucks or barges, if mutually agreeable to both parties) furnished by KOPPERS for shipment to KOPPERS' PLANT, or for shipment to destinations other than KOPPERS' PLANT. Shipments of TAR to KOPPERS' PLANT shall be in minimum lots of ten (10) tank cars unless for reasons beyond either KOPPERS' or MILWAUKEE'S control, it is not feasible to do so. Title to such TAR shall pass to KOPPERS upon loading, on an f.o.b. MILWAUKEE'S PLANT basis.

ARTICLE V

QUALITY OF TAR

The quality of TAR sold hereunder is to be equal to that which is generally produced in well operated by-product coke plants of a similar nature. MILWAUKEE covenants that such TAR shall not be mixed or contaminated by or with any other type of tar, oils, residue, or substances foreign to the type of tar to be sold hereunder, and shall not be stripped of

ingredients thereof, nor subjected to any process which may change the original character thereof, except the removal of excess water. MILWAUKEE covenants further that such TAR shall be produced from by-product coke ovens in which only coal or coal sprayed with oil is used for charging.

ARTICLE VI

MEASUREMENT OF TAR

The quantity of TAR sold hereunder which is placed in tank cars or tank trucks for delivery hereunder shall be determined from the actual net weight of said TAR as indicated by certified scales at MILWAUKEE'S PLANT, or in the absence of such scales, then by scales at KOPPERS' PLANT or at or en route to a destination other than KOPPERS' PLANT, if such are available. In determining the weight per gallon of such tank car or tank truck delivery, the specific gravity shall be corrected to a basis of sixty degrees (60°) Fahrenheit. The coefficient for correction of said specific gravity shall be 0.00038 for each degree Fahrenheit above or below sixty degrees (60°) Fahrenheit (divisional method).

In the event that scales are not available at the appropriate time at any of the locations above stated for the purpose of determining actual net weight of TAR delivered hereunder, or in the event TAR sold hereunder is delivered into a barge, the quantity of TAR delivered at such times or in such a manner shall be determined by volumetric measurement corrected

to a basis of sixty degrees (60°) Fahrenheit and the coefficient for correction of said volume shall be 0.00032 for each degree Fahrenheit above or below sixty degrees (60°) Fahrenheit (divisional method). Volumetric measurements and temperatures with respect to barge deliveries hereunder shall be taken jointly by representatives of MILWAUKEE and KOPPERS in storage tanks (duly calibrated) at MILWAUKEE'S PLANT.

At the request of either party hereto, a redetermination of either temperature correction factor, hereinabove provided, may be agreed upon. Any such redetermination shall thereafter prevail until changed in the same manner.

ARTICLE VII

WATER IN TAR

No TAR shall be delivered to KOPPERS containing more than eight per cent (8%) of water, by volume, and only TAR containing not more than eight per cent (8%) of water, by volume, shall constitute an acceptable delivery under the terms of this Agreement, unless written consent is given by KOPPERS, in which case the Agreement then made shall supersede the provisions hereof, but only for the particular delivery of TAR covered by said written consent.

All deliveries under the terms hereof shall, in the event of the occurrence of the conditions hereinafter set forth, be subject to the

following adjustments in quantity and price:

Any delivery of TAR which contains less than two per cent (2%) of water, by volume, shall be corrected with respect to quantity by increasing the total quantity in such delivery to the basis of TAR containing two per cent (2%) of water, by volume.

Any delivery of TAR which contains more than two per cent (2%), and not more than five per cent (5%) of water, by volume, shall be corrected with respect to quantity by reducing the total quantity in such delivery to the basis of TAR containing two per cent (2%) of water, by volume.

Any delivery of TAR which contains more than five per cent (5%) and not more than eight per cent (8%) of water, by volume, shall be corrected with respect to quantity by reducing the total quantity in such delivery to the basis of TAR containing two per cent (2%) of water, by volume, and in addition thereto shall be subject to a reduction in price thereof of one-half cent (1/2¢) per gallon of TAR so corrected plus proportionate freight charges on moisture content in excess of five per cent (5%) by volume.

From each delivery of TAR hereunder, as required by either party, MILWAUKEE shall take a sample and determine the water content thereof by American Society of Testing Materials Method of Test D 95 and KOPPERS shall take a second sample on receipt of each delivery at KOPPERS' PLANT or at the destination other than KOPPERS' PLANT, and determine the water content thereof. In the event of a difference in the results obtained by the parties hereto from such water determination the two results shall be averaged and said average shall constitute the percentage of water in such delivery and shall be binding upon both parties; PROVIDED, however, that if any such water determinations differ by more than one per cent (1%), by volume, KOPPERS shall notify MILWAUKEE and either party may request the other jointly to sample said delivery. Such joint sample shall be divided into three (3) equal parts, one of these parts to be analyzed by MILWAUKEE and one by KOPPERS. In the event the separate analyses of this sample shall not differ over one per cent (1%), by volume, the two results shall be averaged and said average shall be binding upon both parties, but in the event of a difference of over one per cent (1%), by volume, in the separate analyses, then the third part shall be analyzed by a disinterested chemist mutually agreed upon by the parties hereto, and his analysis shall be binding upon both parties for the delivery in question. The expense of such analysis by said disinterested chemist shall be borne equally by the parties hereto.

ARTICLE VIII

PRICE OF AND PAYMENT FOR TAR

KOPPERS shall pay MILWAUKEE on or before the twenty-fifth (25th) day of each calendar month upon billing by MILWAUKEE for all TAR delivered to and accepted by KOPPERS during the preceding calendar month at the prices indicated below.

The price of all TAR shipped by MILWAUKEE to KOPPERS' PLANT from June 1, 1962 through September 30, 1962 shall be 12.1¢ per gallon. Within thirty (30) days of the start of any calendar quarter following the initial four months the price then in effect will be reviewed and a price will be established for the ensuing quarter. It is the intent of the parties that the delivered tar price paid by KOPPERS to MILWAUKEE for TAR shipped to KOPPERS' PLANT shall be substantially equal to the delivered tar price paid by KOPPERS for TAR shipped from suppliers in the Chicago area.

The price of all TAR shipped by MILWAUKEE to KOPPERS' Road Tar Terminal in South Milwaukee from June 1, 1962 through September 30, 1962 shall be 9.8¢ per gallon. Within thirty (30) days of the start of any calendar quarter following the initial four months the price then in effect will be reviewed and a price will be established for the ensuing quarter. It is the intent of the parties that the delivered tar price paid by KOPPERS to MILWAUKEE for TAR shipped to KOPPERS' Road Tar Terminal in South Milwaukee shall be equal to fifty per cent (50%) of the first ten cents (10¢) of NET RETURN PER GALLON (hereinafter defined) and seventy five per cent (75%) of all over ten cents (10¢) of NET RETURN PER GALLON obtained for such tar. The NET RETURN PER GALLON shall equal the average return per gallon of road tar shipped in bulk from KOPPERS' Road Tar Terminal in South Milwaukee less credits granted to customers for road tar returned; less cash discounts and other allowances, if any; less commissions on road tar

paid to companies or individuals not connected or affiliated in any way with KOPPERS; less revenue received for delivery and/or application of road tar. KOPPERS will not ship over 500,000 gallons of TAR in any calendar year during the period of this Agreement from MILWAUKEE'S PLANT to KOPPERS' Road Tar Terminal at South Milwaukee unless prior written consent is obtained from MILWAUKEE.

ARTICLE IX

STORAGE OF TAR

MILWAUKEE agrees to provide storage at MILWAUKEE'S PLANT to the extent of its present capacity to protect against reasonable delays in the acceptance of TAR by KOPPERS hereunder and/or in the movement of tank cars or tank trucks or barges furnished by KOPPERS. KOPPERS agrees to use due diligence in providing for the taking of the TAR purchased hereunder.

ARTICLE X

CONTINGENCIES

If either party hereto shall be prevented or delayed in the performance of any or all of the provisions hereof by reason of any strike, lockout, boycott, industrial disturbance, ice or snow conditions, action of the elements, delay in obtaining or shortage of transportation equipment, exceptional weather, act of God, lightning, flood, earthquake, fire, explosion, epidemic, war, insurrection, embargo, accident, governmental, regulations, or any other cause beyond its control affecting the operation of MILWAUKEE'S PLANT or KOPPERS' PLANT, whether similar to the causes above enumerated or otherwise, the delay or loss suffered therefrom by the other party hereto shall not be chargeable in any way to the party so prevented or delayed; and the obligations hereunder of the party so prevented or delayed shall be

suspended so long as such cause shall have the effect but for no longer period, and such cause shall so far as possible be remedied with all reasonable dispatch.

ARTICLE XI

ARBITRATION

Except as otherwise herein provided, in case any disagreement or difference shall arise between the parties hereto, their successors or assigns, in relation to the Agreement, whether as to the construction or operation thereof or as to the respective rights, liabilities, duties, or obligations thereunder, the matters in dispute shall be submitted to three competent arbitrators, one to be appointed by each party, and the third to be appointed by the other two, and the award in writing signed by any two of them shall be final and conclusive upon the parties hereto. In case either of the said parties shall fail to appoint an arbitrator as aforesaid within ten (10) days after written notice given by the other party to make such appointment, then and in that event the arbitrator appointed by the party not in default shall appoint a like competent arbitrator for the defaulting party, and the said two arbitrators so appointed shall select a third arbitrator. In the event of the failure of the two arbitrators appointed as aforesaid to agree upon a third within ten (10) days after their appointment then the third arbitrator shall be appointed by the Senior United States

District Judge, or, in the event of his failure or refusal to act, by any other Judge of the United States District Court having jurisdiction of the area in which MILWAUKEE'S PLANT is located, and said Judge is hereby requested to act in the premises and name the third arbitrator. The three so chosen shall as promptly as possible hear and decide such difference or dispute, and make every reasonable effort to reach a decision within thirty (30) days after their appointment, and the award in writing signed by any two of them shall be final and conclusive upon the parties hereto.

The parties hereto stipulate and agree that they will abide by and perform such award. The expense of such arbitration, including the fee of the third arbitrator, shall be borne equally by the parties hereto, provided, however, that each party shall bear the fee of the arbitrator which appoints or which is appointed for it.

ARTICLE XII

NOTICES

Any notice required or permitted to be given hereunder shall be deemed to be duly given if mailed by registered mail, postage prepaid, in the case of MILWAUKEE addressed to MILWAUKEE SOLVAY COKE COMPANY, INC. 740 North Milwaukee Street, Milwaukee 1, Wisconsin, and in the case of KOPPERS addressed to KOPPERS COMPANY, INC., Tar Products Division, Koppers Building, 436 Seventh Avenue, Pittsburgh 19, Pennsylvania.

ARTICLE XIII

ASSIGNABILITY

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns; provided, however that neither party hereto shall have the right to assign this Agreement without the prior written consent of the other party hereto.

ARTICLE XIV

WAIVER OF DEFAULT

Waiver by either party of any default by the other party shall not be deemed a waiver of any subsequent default.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and their respective seals to be hereunto affixed by their proper officers thereunto duly authorized, the day and year first above written.

MILWAUKEE SOLVAY COKE COMPANY, INC.

By S.S. Robinson
President

ATTEST:

R.L. Oldenberg
Asst. Secretary

KOPPERS COMPANY, INC.

By John H. Redmond
Vice President

ATTEST:

T.C. Cochran
Asst. Secretary

TS- file

J. D. May

Procurement

Control

November 21, 1960

Milwaukee Solvay

Attached for your file is the original and two conformed copies of the Agreement covering the purchase of Milwaukee Solvay tar for the five year period ending December 31, 1964. This agreement includes Mr. Byron's letter of February 24, 1960, which extends the terms of the previous agreement for an additional three year period ending December 31, 1962. This letter also guarantees Milwaukee Solvay a minimum price of 12.75 cents per gallon for the three year period ending December 31, 1962. Mr. Byron's letter also changes the term of the new agreement from a five year period to a two year period.

E. D. Losch

EDL:acc

Attachments

cc: W. E. Walters -2
Paul Caldwell
G. D. Melville
Templeton Smith ✓

A G R E E M E N T

THIS AGREEMENT, Made this 9th day of November, 1960, by and between MILWAUKEE SOLVAY COKE COMPANY (hereinafter referred to as "MILWAUKEE"), a Wisconsin corporation, having its principal office at Milwaukee, Wisconsin, and KOPPERS COMPANY, INC., (hereinafter referred to as "KOPPERS"), a Delaware corporation, having its general office at Pittsburgh, Pennsylvania:

W I T N E S S E T H:

That in consideration of the respective undertakings hereunder, the parties hereto, each intending to be legally bound hereby, covenant and agree, respectively, as follows:

ARTICLE I

DEFINITIONS

The term "gallon", wherever used herein, shall be understood to mean a United States standard gallon of Two Hundred Thirty-one (231) cubic inches.

The word "customer", wherever used herein, shall be understood not to include any Plant of KOPPERS.

The words "MILWAUKEE'S PLANT", wherever used herein, shall be understood to mean MILWAUKEE'S Coke plant, as now or hereafter constituted, located at Milwaukee, Wisconsin.

The words "KOPPERS' PLANT", wherever used herein, shall be understood to mean the crude tar processing plants operated by KOPPERS at Chicago, Illinois.

The word, "TAR", wherever used herein, shall be understood to mean the crude coke oven tar produced by MILWAUKEE at MILWAUKEE'S PLANT.

The words, "Coal Tar", wherever used herein, shall be understood to mean crude coal tar produced solely from coal or coal sprayed with oil charged into by-product coke ovens and received at KOPPERS' PLANT.

The words, "calendar year", wherever used herein, shall be understood to mean the period commencing January 1 and ending December 31.

The term "delivery", wherever used herein, shall be understood to mean the contents of each tank car, tank truck or barge of TAR shipped from MILWAUKEE'S PLANT to KOPPERS PLANT or to a destination other than KOPPER'S PLANT.

ARTICLE II

PERIOD OF THIS AGREEMENT

This Agreement shall be and remain in full force and effect for a period of five (5) years commencing January 1, 1960 and terminating December 31, 1964, and thereafter for successive additional periods of five (5) years each, provided either party hereto may terminate this Agreement at the end of the initial period hereof or any such successive additional period by giving to the other party written notice of its intention to terminate at least six (6) months prior to the end of the then current period.

Each calendar year falling within the term of this Agreement shall constitute a "contract period".

ARTICLE III

TAR SOLD AND PURCHASED

MILWAUKEE shall sell to KOPPERS and KOPPERS shall purchase from MILWAUKEE, during the period of this Agreement, all TAR produced by MILWAUKEE at MILWAUKEE'S PLANT on the terms and conditions hereinafter set forth.

ARTICLE IV

DELIVERY OF TAR

As directed by KOPPERS, MILWAUKEE agrees to pump all TAR sold hereunder into tank cars (and/or tank trucks or barges, if mutually agreeable to both parties) furnished by KOPPERS for shipment to KOPPERS' PLANT, or for shipment to destinations other than KOPPERS' PLANT. Title to such TAR shall pass to KOPPERS upon loading, on an f.o.b. MILWAUKEE'S PLANT basis.

ARTICLE V

QUALITY OF TAR

The quality of TAR sold hereunder is to be equal to that which is generally produced in well operated by-product coke plants of a similar nature. MILWAUKEE covenants that such TAR shall not be mixed or contaminated by or with any other type of tar, oils, residue, or substances foreign to the type of tar to be sold hereunder, and shall not be stripped of

ingredients thereof, nor subjected to any process which may change the original character thereof, except the removal of excess water. MILWAUKEE covenants further that such TAR shall be produced from by-product coke ovens in which only coal or coal sprayed with oil is used for charging.

ARTICLE VI

MEASUREMENT OF TAR

The quantity of TAR sold hereunder which is placed in tank cars or tank trucks for delivery hereunder shall be determined from the actual net weight of said TAR as indicated by certified scales at MILWAUKEE'S PLANT, or in the absence of such scales, then by scales at KOPPERS' PLANT or at or enroute to a destination other than KOPPERS' PLANT, if such are available. In determining the weight per gallon of such tank car or tank truck delivery, the specific gravity shall be corrected to a basis of sixty degrees (60°) Fahrenheit. The coefficient for correction of said specific gravity shall be 0.00038 for each degree Fahrenheit above or below sixty degrees (60°) Fahrenheit (divisional method).

In the event that scales are not available at the appropriate time at any of the locations above stated for the purpose of determining actual net weight of TAR delivered hereunder, or in the event TAR sold hereunder is delivered into a barge, the quantity of TAR delivered at such times or in such a manner shall be determined by volumetric measurement corrected

to a basis of sixty degrees (60°) Fahrenheit and the coefficient for correction of said volume shall be 0.00032 for each degree Fahrenheit above or below sixty degrees (60°) Fahrenheit (divisional method). Volumetric measurements and temperatures with respect to barge deliveries hereunder shall be taken jointly by representatives of MILWAUKEE and KOPPERS in storage tanks (duly calibrated) at MILWAUKEE'S PLANT.

At the request of either party hereto, a redetermination of either temperature correction factor, hereinabove provided, may be agreed upon. Any such redetermination shall thereafter prevail until changed in the same manner.

ARTICLE VII

WATER IN TAR

No TAR shall be delivered to KOPPERS containing more than eight percent (8%) of water, by volume, and only TAR containing not more than eight percent (8%) of water, by volume, shall constitute an acceptable delivery under the terms of this Agreement, unless written consent is given by KOPPERS, in which case the Agreement then made shall supersede the provisions hereof, but only for the particular delivery of TAR covered by said written consent.

All deliveries under the terms hereof shall, in the event of the occurrence of the conditions hereinafter set forth, be subject to the

following adjustments in quantity and price:

Any delivery of TAR which contains less than two percent (2%) of water, by volume, shall be corrected with respect to quantity by increasing the total quantity in such delivery to the basis of TAR containing two percent (2%) of water, by volume.

Any delivery of TAR which contains more than two percent (2%), and not more than five percent (5%) of water, by volume, shall be corrected with respect to quantity by reducing the total quantity in such delivery to the basis of TAR containing two percent (2%) of water, by volume.

Any delivery of TAR which contains more than five percent (5%) and not more than eight percent (8%) of water, by volume, shall be corrected with respect to quantity by reducing the total quantity in such delivery to the basis of TAR containing two percent (2%) of water, by volume, and in addition thereto shall be subject to a reduction in price thereof of one-half cent (1/2¢) per gallon

of TAR so corrected plus proportionate freight charges on moisture content in excess of five percent (5%) by volume.

From each delivery of TAR hereunder, as required by either party, MILWAUKEE shall take a sample and determine the water content thereof by American Society of Testing Materials Method of Test D 95 and KOPPERS shall take a second sample on receipt of each delivery at KOPPERS' PLANT or at the destination other than KOPPERS' PLANT, and determine the water content thereof. In the event of a difference in the results obtained by the parties hereto from such water determination the two results shall be averaged and said average shall constitute the percentage of water in such delivery and shall be binding upon both parties; PROVIDED, however, that if any such water determinations differ by more than one percent (1%), by volume, KOPPERS shall notify MILWAUKEE and either party may request the other jointly to sample said delivery. Such joint sample shall be divided into three (3) equal parts, one of these parts to be analyzed by MILWAUKEE and one by KOPPERS. In the event the separate analyses of this sample shall not differ over one percent (1%), by volume, the two results shall be averaged and said average shall be binding upon both parties, but in the event of a difference of over one percent (1%), by volume, in the separate analyses, then the third part shall be analyzed by a disinterested chemist mutually agreed upon by the parties hereto, and his analysis shall be binding upon both parties for the delivery in question. The

expense of such analysis by said disinterested chemist shall be borne equally by the parties hereto.

ARTICLE VIII

PRICE OF AND PAYMENT FOR TAR

KOPPERS shall pay MILWAUKEE on or before the twenty-fifth (25th) day of each calendar month, during the period of this Agreement, for all TAR delivered to and accepted by KOPPERS under the terms hereof during the preceding calendar month, an estimated price per gallon to be mutually agreed upon from time to time between the parties hereto. If the sum of the monthly payments made by KOPPERS on said estimated basis for any contract period of this Agreement exceeds or is less than the contract price (as hereinafter defined) of TAR delivered hereunder by MILWAUKEE and accepted by KOPPERS for such contract period, then MILWAUKEE shall refund to KOPPERS, or KOPPERS shall pay to MILWAUKEE the amount by which the sum of said estimated payments for said contract period so exceeds or is less than, as the case may be, the contract price (as hereinafter defined) for said contract period.

The contract price for the TAR delivered to KOPPERS by MILWAUKEE and accepted by KOPPERS during each contract period shall be determined as follows:

- (1) The number of gallons of TAR so delivered and accepted during such contract period shall be corrected for

temperature and adjusted for water content as provided in ARTICLES VI and VII hereof.

- (2) The result calculated in (1) above shall be multiplied by the CONTRACT PRICE PER GALLON, as hereinafter defined.
- (3) From the result determined in (2) above, there shall be deducted the amount, if any, required to make the price adjustment provided for in ARTICLE VII hereof.

In addition, KOPPERS shall pay MILWAUKEE, at the same time as above set forth, one quarter cent (\$.0025) per gallon for that portion of the TAR separated and shipped to KOPPERS at KOPPER'S request and designated as primary cooler tar.

ARTICLE IX

CONTRACT PRICE PER GALLON

The CONTRACT PRICE PER GALLON for each contract period hereof shall be the highest of the following two (2) prices:

FIXED PRODUCT PRICE PER GALLON, as hereinafter defined.

NET SALES REVENUE PRICE PER GALLON, as hereinafter defined.

ARTICLE X

FIXED PRODUCT PRICE PER GALLON

The FIXED PRODUCT PRICE PER GALLON for each contract period shall be equal to the FIXED PRODUCT PRICE for such contract period divided by the number of gallons of TAR delivered by MILWAUKEE and accepted

by KOPPERS, after correction for temperature and adjustment for water content as provided in ARTICLES VI and VII hereof.

The FIXED PRODUCT PRICE shall be an amount equal to the sum of number of gallons of TAR delivered and accepted during each calendar month of the contract period hereof (after correction for temperature and adjustment for water content as provided in ARTICLES VI and VII hereof) multiplied by an amount equal to fifty percent (50%) of the FIXED PRODUCT REVENUE PER GALLON for such month, less the amount, if any, required to make the price adjustment provided for in ARTICLE VII hereof.

The FIXED PRODUCT REVENUE PER GALLON in any particular calendar month shall be the sum of the MONTHLY PRICE PER GALLON for Creosote Oil and the MONTHLY PRICE PER GALLON for Roofing Pitch in such calendar month.

The MONTHLY PRICE PER GALLON for Creosote Oil in any particular calendar month shall be determined by multiplying by fifty percent (50%) the price per gallon for Creosote Oil (Coal Tar Crude) in tanks, as published in the first issue of the "Oil, Paint and Drug Reporter" (hereinafter referred to as O.P.D.R.) for the calendar month in which the TAR was delivered. Should the O.P.D.R. report more than one price for Creosote Oil, then the average of the prices so reported shall be used.

The MONTHLY PRICE PER GALLON for Roofing Pitch in any particular calendar month shall be determined by multiplying by fifty percent (50%) the price per ton for KOPPERS' Old Style Roofing and Waterproofing Pitch, Carloads in five hundred fifty pound (550lb.) drums, f.o.b. Cicero, Illinois, as published in Koppers' Price Bulletin for Dealers in effect at the beginning of the month in which the TAR was delivered. Such price per ton shall then be converted to a price per gallon by using a division factor of two hundred (200) gallons per ton.

ARTICLE XI

NET SALES REVENUE PRICE PER GALLON

The NET SALES REVENUE PRICE PER GALLON for each contract period hereof shall be determined by adding the following percentages of the NET SALES REVENUE PER GALLON, as hereinafter defined, derived from the operation of KOPPERS' PLANT during such contract period:

- (1) Sixty percent (60%) of the first ten cents (10¢) or fraction thereof of said NET SALES REVENUE PER GALLON.
- (2) Sixty-five percent (65%) of the next ten cents (10¢) or fraction thereof of said NET SALES REVENUE PER GALLON.
- (3) Sixty-two and one-half percent (62 1/2%) of the balance of said NET SALES REVENUE PER GALLON, if any.

Before computation of the sixty percent (60%), sixty-five percent (65%), or sixty-two and one-half percent (62 1/2%) of the NET SALES REVENUE PER GALLON above provided for, there shall be deducted the amount of freight expense incurred in shipping TAR from MILWAUKEE'S PLANT to KOPPERS' PLANT (or to other destinations but not in excess of the freight expense which would have been payable if such TAR had been shipped to KOPPERS' PLANT), divided by the total number of gallons of TAR accepted by KOPPERS from MILWAUKEE hereunder during each contract period, after correction for temperature and adjustment for water content as provided in ARTICLES VI and VII hereof.

The NET SALES REVENUE PER GALLON derived from the operation of KOPPERS' PLANT in any particular contract period shall be determined by dividing the NET SALES REVENUE (as hereinafter defined) of KOPPERS' PLANT for such contract period by the number of gallons of Coal Tar received at KOPPERS' PLANT from any source during such contract period, plus the number of gallons of Coal Tar on hand at the beginning of such contract period, minus the number of gallons of Coal Tar on hand at the end of such contract period, minus the number of gallons of Coal Tar sold to others or shipped to other plants of KOPPERS during such contract period.

The volume of Coal Tar above mentioned shall be measured after correction for temperature and adjustment for water content as set forth in ARTICLES VI and VII hereof.

The NET SALES REVENUE derived from the operation of KOPPERS' PLANT in any particular contract period shall be determined as follows:

To the total proceeds of sales to customers (on an f.o.b. KOPPERS' PLANT basis) after deducting credits granted to customers for merchandise returned, cash discounts, and other allowances, if any, there shall be added the following items:

1. Shipments to KOPPERS' other crude tar processing plants for further processing of processed Coal Tar products manufactured from Coal Tar received at KOPPERS' PLANT, at a price per unit equivalent to the final sales value per unit less freight, further processing costs, package costs, and other costs incidental to the manufacture of the final product produced from such materials. Such unit price after all deductions shall not, however, be less than the average unit price of sales of similar products from KOPPERS' PLANT.
2. Shipments to KOPPERS' other crude tar processing plants of finished Coal Tar products manufactured from Coal Tar received at KOPPERS' PLANT at a price per unit shipped equivalent to the average unit price of sales of similar products from KOPPERS' PLANT.
3. Transfers to plants of KOPPERS other than crude tar processing plants of KOPPERS of processed Coal Tar products manufactured from Coal Tar received at KOPPERS' PLANT at an f.o.b.

KOPPERS' PLANT price per unit transferred equivalent to KOPPERS' unit sales price of similar products from KOPPERS' PLANT. Transfers of processed Coal Tar products to be included on the basis set forth in this sub-paragraph 3 shall include transfers to specialty plants or facilities, as now constructed or hereafter constructed, whether located at KOPPERS' PLANT or elsewhere such as, but not restricted to, all creosote compositions transferred to a KOPPERS' wood preserving plant; crude naphthalene transferred to a KOPPERS' naphthalene refining plant or to a KOPPERS' phthalic anhydride plant; Coal Tar pitches transferred to a KOPPERS' pipe coating or enamel plant; road tars transferred to a KOPPERS' pre-mix plant; refined tar acids transferred to a KOPPERS' chemical plant.

4. Increase in said contract period in inventory of Coal Tar products processed at KOPPERS' PLANT at inventory value, based upon cost or market value, whichever is lower.
5. Value of Coal Tar pitch or Coal Tar oil manufactured at KOPPERS' PLANT and used for fuel, such value to be based on the then prevailing cost at KOPPERS' PLANT of alternate fuel.

(If, due to the absence of a market at KOPPERS' PLANT for Coal Tar Pitch and/or Coal Tar Oil at a price higher than the then prevailing price of alternate fuel, KOPPERS must use as fuel Coal Tar pitch and/or Coal Tar oil manufactured at KOPPERS' PLANT, then MILWAUKEE shall have the option of permitting KOPPERS to burn said pitch and/or oil, or purchasing the same f.o.b. KOPPERS' PLANT at the then prevailing cost to KOPPERS at KOPPERS' PLANT of alternate fuel).

6. Value of Coal Tar shipped to KOPPERS' other plants.

From the sum of the foregoing, deduct the following items:

1. Revenue received for delivery and/or application services performed in connection with the sale of products manufactured from Coal Tar received at KOPPERS' PLANT to the extent that such products are manufactured from Coal Tar.
2. Sales commissions paid to companies or individuals not connected or affiliated in any way with KOPPERS, it being understood that KOPPERS shall at all times and at its own expense maintain an adequate sales force so that sales commissions to others shall be paid only to meet competitive conditions.
3. Proceeds of sales of materials not manufactured from Coal Tar.

4. Value of materials, other than Coal Tar and its derivative products processed at KOPPERS' PLANT, entering into products containing any portion of the Coal Tar and its derivative products processed at KOPPERS' PLANT. Such value shall be determined as follows:

(a) In the case of Road Tar, it shall be an amount calculated by multiplying the average price per gallon of bulk sales of Road Tar from KOPPERS' PLANT by the gallons of materials, other than Coal Tar and its derivative products processed at KOPPERS' PLANT, entering into Road Tar; provided that such average price per gallon shall not be less than the total delivered cost per gallon at KOPPERS' PLANT for said materials.

(b) In the case of all other products, said value shall be an amount determined as follows:

(1) From the total proceeds of sales of said products (on an f.o.b. KOPPERS' PLANT basis) deduct credits granted for merchandise returned, cash discounts and other allowances, if any.

- (2) From the amount determined in (b) (1) above, deduct the value of the Coal Tar and its derivative products processed at KOPPERS' PLANT, entering into such product.
- (3) Such value of said Coal Tar and its derivative products derived in (b) (2) above shall be determined by multiplying the units of said Coal Tar and its derivative products by a unit price equivalent to the average unit price of sales of similar products from KOPPERS' PLANT.
5. Cost of packaging. With respect to shipment in drums or small containers, the term "cost of packaging" shall mean the delivered cost of the drum or container at KOPPERS' PLANT plus the cost of filling the same. With respect to shipments in tank cars or tank trucks, the term "cost of packaging" shall mean current established commercial tank car or tank truck rental rates, as the case may be.
6. Proceeds of sales of Coal Tar, and value of Coal Tar shipped to KOPPERS' other plants.

7. Decrease in said contract period in inventory of Coal Tar products processed at KOPPERS' PLANT, at inventory value, based upon cost or market value, whichever is lower.
8. Taxes on sales of products from KOPPERS' PLANT not passed on to customers, and sales taxes and similar taxes, if any, on Coal Tar received at KOPPERS' PLANT.
9. Switching, cartage and drayage charges related to Coal Tar materials paid by KOPPERS at KOPPERS' PLANT but not passed on to customers.

It is understood and agreed that the NET SALES REVENUE herein defined shall be determined from the following products now being manufactured at KOPPERS' PLANT, it being further understood and agreed that KOPPERS is not bound or obligated to continue the manufacture of any or all of the stated products or of any other product added hereto in accordance with the provisions hereinafter set forth.

COAL TAR PITCHES	NAPHTHALENE (CRUDE)
ROAD TARS	HEAVY RESIDUE CREOSOTE OIL
REFINED TARS	CREOSOTE SOLUTION OIL
CREOSOTE OIL	CREOSOTE SOLUTION TAR
CREOSOTE COAL TAR SOLUTIONS	COAL TAR PAINT
TARRED FELT	COAL TAR FIBRE COATING
CRUDE TAR ACIDS IN SODIUM CRESYLATE	COAL TAR ROOF CEMENT

In the event that KOPPERS shall hereafter deem it desirable to manufacture at KOPPERS' PLANT products containing Coal Tar or its derivative products other than those just named, and other than products

of specialty plants or facilities now existing or hereafter constructed, then the method of computing the NET SALES REVENUE shall be revised to include such other products; PROVIDED, HOWEVER, that in the determination thereof there shall be deducted from the proceeds of sales of such other products the additional costs to KOPPERS in the manufacture and sale of such other products, including research and development costs attributable thereto and depreciation of and interest upon any additional plant investment required thereby; PROVIDED said additional costs to KOPPERS shall be accrued from the date of expenditure thereof until such time as said other products manufactured at KOPPERS' PLANT are sold therefrom, at which time said accrued additional costs and current additional costs to KOPPERS shall be deducted to the extent herein permitted from the proceeds of sales of such other products made in the then current contract period; PROVIDED, FURTHER, that any such accrued and current additional costs to KOPPERS or any portion thereof not deducted or deductible, as herein provided, in the then current contract period shall be carried forward successively into each contract period next succeeding and deducted to the extent herein permitted until fully deducted; PROVIDED, FURTHER, that said accrued and current additional costs to KOPPERS may be deducted in any contract period only to the extent that the NET SALES REVENUE PER GALLON derived from the products manufactured immediately prior to the manufacture and sale of the said new product or products

in such contract period is not reduced by the manufacture or sale of such other products.

In the event that KOPPERS shall hereafter deem it desirable, for the purpose of increasing the NET SALES REVENUE PER GALLON, to erect new facilities or alter existing facilities to improve the quality or to increase the quantity of any of the products named above as altered from time to time, then there shall be deducted from the proceeds of sales of the products so affected the additional costs to KOPPERS in the manufacture of such products, including research and development costs attributable thereto and depreciation of and interest upon such additional plant investment required thereby; PROVIDED, that such additional costs to KOPPERS shall be (1) accrued from the date of expenditure thereof and (2) deducted to the extent herein permitted, first in the then current contract period; PROVIDED, FURTHER, that any such additional costs or portion thereof not so deducted or deductible, as herein provided, shall be carried forward successively into each contract period next succeeding and deducted to the extent herein permitted until fully deducted; PROVIDED, FURTHER, that such additional costs to KOPPERS may be deducted in any contract period only to the extent that the NET SALES REVENUE PER GALLON is not reduced below that which would have been derived had said new or altered facilities not been constructed.

ARTICLE XII

AUDIT

MILWAUKEE shall have the right to audit and inspect such records of KOPPERS as are pertinent to the determination of the NET SALES REVENUE and/or the NET SALES REVENUE PER GALLON made by KOPPERS for any contract period, but for such purpose only. If any such audit or inspection by MILWAUKEE shall result in a determination differing from that of KOPPERS, the determination may, at the option of either party, be referred to Certified Public Accountants mutually agreed upon, whose report shall be final and binding upon both parties hereto. The expense of such audit shall be borne by the party whose determination shall thereby have been shown to be incorrect; PROVIDED, HOWEVER, that if the determination resulting from such audit varies materially from the separate determinations of each of the parties hereto, the said expense shall be divided equally between them.

ARTICLE XIII

STORAGE OF TAR

MILWAUKEE agrees to provide storage at MILWAUKEE'S PLANT to the extent of its present capacity to protect against reasonable delays in the acceptance of TAR by KOPPERS hereunder and/or in the movement of tank cars or tank trucks or barges furnished by KOPPERS. In the event MILWAUKEE shall increase its present coke plant capacity at MILWAUKEE'S PLANT, additional TAR storage capacity proportionate to the increase in its coke plant capacity shall be provided. KOPPERS

agrees to use due diligence in providing for the taking of the TAR purchased hereunder.

ARTICLE XIV

CONTINGENCIES

If either party hereto shall be prevented or delayed in the performance of any or all of the provisions hereof by reason of any strike, lockout, boycott, industrial disturbance, ice or snow conditions, action of the elements, delay in obtaining or shortage of transportation equipment, exceptional weather, act of God, lightning, flood, earthquake, fire, explosion, epidemic, war, insurrection, embargo, accident, governmental regulations, or any other cause beyond its control affecting the operation of MILWAUKEE'S PLANT or KOPPERS' PLANT, whether similar to the causes above enumerated or otherwise, the delay or loss suffered therefrom by the other party hereto shall not be chargeable in any way to the party so prevented or delayed; and the obligations hereunder of the party so prevented or delayed shall be suspended so long as such cause shall have the effect but for no longer period, and such cause shall so far as possible be remedied with all reasonable dispatch.

ARTICLE XV

ARBITRATION

Except as otherwise herein provided, in case any disagreement or difference shall arise between the parties hereto, their successors or

assigns, in relation to the Agreement, whether as to the construction or operation thereof or as to the respective rights, liabilities, duties, or obligations thereunder, the matters in dispute shall be submitted to three competent arbitrators, one to be appointed by each party, and the third to be appointed by the other two, and the award in writing signed by any two of them shall be final and conclusive upon the parties hereto. In case either of the said parties shall fail to appoint an arbitrator as aforesaid within ten (10) days after written notice given by the other party to make such appointment, then and in that event the arbitrator appointed by the party not in default shall appoint a like competent arbitrator for the defaulting party, and the said two arbitrators so appointed shall select a third arbitrator. In the event of the failure of the two arbitrators appointed as aforesaid to agree upon a third within ten (10) days after their appointment then the third arbitrator shall be appointed by the Senior United States District Judge, or, in the event of his failure or refusal to act, by any other Judge of the United States District Court having jurisdiction of the area in which MILWAUKEE'S PLANT is located, and said Judge is hereby requested to act in the premises and name the third arbitrator. The three so chosen shall as promptly as possible hear and decide such difference or dispute, and make every reasonable effort to reach a decision within thirty (30) days after their appointment, and the award in writing signed by any two of them shall be final and conclusive upon the parties hereto.

The parties hereto stipulate and agree that they will abide by and perform such award. The expense of such arbitration, including the fee of the third arbitrator, shall be borne equally by the parties hereto, provided, however, that each party shall bear the fee of the arbitrator which appoints or which is appointed for it.

ARTICLE XVI

NOTICES

Any notice required or permitted to be given hereunder shall be deemed to be duly given if mailed by registered mail, postage prepaid, in the case of MILWAUKEE addressed to MILWAUKEE SOLVAY COKE COMPANY, 740 North Milwaukee Street, Milwaukee 1, Wisconsin, and in the case of KOPPERS addressed to Koppers Company, Inc., Tar Products Division, Koppers Building, 436 Seventh Avenue, Pittsburgh 19, Pennsylvania

ARTICLE XVII

ASSIGNABILITY

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns; provided, however that neither party hereto shall have the right to assign this Agreement without the prior written consent of the other party hereto.

ARTICLE XVIII

WAIVER OF DEFAULT

Waiver by either party of any default by the other party shall not be deemed a waiver of any subsequent default.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and their respective seals to be hereunto affixed by their proper officers thereunto duly authorized, the day and year first above written.

MILWAUKEE SOLVAY COKE COMPANY

By Louis L. Henry
President

ATTEST

Frank Marie White
Secretary

KOPPERS COMPANY, INC.

By F. L. Bynum
Vice President

ATTEST:

John W. Cunningham
Secretary

February 24, 1960

Mr. Louis C. Kraus, President
and General Manager
Milwaukee Solvay Coke Company
740 North Milwaukee Street
Milwaukee 1, Wisconsin

Dear Mr. Kraus:

The following constitutes our proposal for continuing to purchase your production of coke oven tar during the five year period January 1, 1960 through December 31, 1964:

All of the terms and conditions of the Tar Agreement between MILWAUKEE SOLVAY COKE COMPANY (hereinafter referred to as "MILWAUKEE") and KOPPERS COMPANY, INC. (hereinafter referred to as "KOPPERS") dated July 20, 1955, which expired on December 31, 1959 shall be effective for the period January 1, 1960 through December 31, 1962. Notwithstanding any of the provisions of the aforementioned Agreement to the contrary, KOPPERS agrees to pay MILWAUKEE a minimum price per gallon of tar for the period January 1, 1960 through December 31, 1962 of twelve and seventy-five hundredths cents (12.75¢) per gallon of tar delivered to and accepted by KOPPERS during said period after correction for temperature and adjustment of moisture content as provided in ARTICLES V and VI of said Agreement, less the amount, if any, required to make the price adjustment provided for in Article VI of said Agreement.

All of the terms and conditions of the Tar Agreement which we submitted to you on October 5, 1959 shall be effective for the period January 1, 1963 through December 31, 1964, except Article II, PERIOD OF THIS AGREEMENT, which shall read as follows:

ARTICLE II

PERIOD OF THIS AGREEMENT

This Agreement shall be and remain in full force and effect for a period of two (2) years commencing January 1, 1963 and terminating December 31, 1964, and thereafter for successive additional periods of five (5) years each, provided either party hereto may terminate this Agreement at the end of the initial period hereof or any such successive additional period by giving to the other party written notice of its intention to terminate at least six (6) months prior to the end of the then current period.

Mr. Louis G. Kreuz
Milwaukee Solvay Coke Company

Page Two-
February 24, 1960

Notwithstanding any of the provisions of the aforementioned Agreement to the contrary, KOPPERS and MILWAUKEE agree to negotiate prior to November 1, 1962 a minimum price per gallon of tar for the period January 1, 1963 through December 31, 1964 based on minimum prices prevailing in the Chicago area at that time.

If the foregoing proposal meets with your approval will you please signify your acceptance of this proposal by executing and returning to the undersigned, one copy of this Letter of Agreement and one copy of the proposal submitted to you on October 5, 1959.

MILWAUKEE SOLVAY COKE COMPANY

By Louis G. Kreuz

ATTENT:

By Ann Marie White

KOPPERS COMPANY, INC.

By C. L. Brown

ATTENT:

By S. S. Leppin Jr

J. Donald May

Finance Section

Milwaukee Solvay Coke Company

BN
Tar Products Division
Procurement Department

July 25, 1955

Contract

For the permanent contract files, we are enclosing the executed copy of our agreement dated July 20, 1955, with the subject company, covering their crude coke oven tar production for the period beginning January 1, 1955, and ending December 31, 1959.

Two extra copies are enclosed, one each for your Department and Accounting.



H. B. Cummings

js
(3)

Enclosures-3

cc: W E Walters-2 (2 encs.)
Alfred E. Jones, Jr. (1 enc.)
Burt Horn, Jr. (1 enc.)
J. E. Tierney (1 enc.)

AGREEMENT

THIS AGREEMENT, Made this 20th day of July, 1955,
by and between MILWAUKEE SOLVAY COKE COMPANY (hereinafter referred to as "MILWAUKEE"
a Wisconsin corporation, having its principal office at Milwaukee, Wisconsin,
and KOPPERS COMPANY, INC. (hereinafter referred to as "KOPPERS") a Delaware
corporation, having its general office at Pittsburgh, Pennsylvania;

WITNESSETH:

That in consideration of the respective undertakings hereunder, the
parties hereto, each intending to be legally bound hereby, covenant and agree,
respectively, as follows:

ARTICLE I

TERM OF THIS AGREEMENT

This Agreement shall be and remain in full force and effect for the
period beginning January 1, 1955, and ending December 31, 1959.

ARTICLE II

TAR SOLD AND PURCHASED

MILWAUKEE hereby agrees to sell to KOPPERS and KOPPERS hereby agrees
to purchase from MILWAUKEE during the term of this Agreement, on the terms and
conditions hereinafter set forth, all crude coke oven tar produced by MILWAUKEE
at MILWAUKEE's coke plant, as now or hereafter constituted, located at Milwaukee,
Wisconsin, (referred to hereinafter as "MILWAUKEE's PLANT"). Such crude coke
oven tar is hereinafter referred to as "TAR". At any time during the term of
this Agreement MILWAUKEE reserves the option to use a portion of its TAR in the
manufacture of products containing coal tar or its derivative products rather
than sell all of said TAR to KOPPERS. If MILWAUKEE elects to exercise this option,
MILWAUKEE shall give KOPPERS written notice of its desire to make such change, at
least twelve (12) months prior to the desired effective date thereof.

ARTICLE III

DELIVERY OF TAR

As directed by KOPPERS, MILWAUKEE shall load TAR into tank cars (and/or if mutually agreed to by both parties, tank trucks) furnished by KOPPERS for shipment to KOPPERS' Tar Plant, located at Carrollville, Wisconsin, (said Plant being hereinafter referred to as "KOPPERS' PLANT") or for shipment to plants of KOPPERS other than KOPPERS' PLANT. Title to such TAR shall pass to KOPPERS upon loading, on an f.o.b. MILWAUKEE's PLANT basis, and the contents of each tank car or tank truck loaded shall be considered a separate delivery hereunder.

ARTICLE IV

QUALITY OF TAR

The quality of TAR sold hereunder is to be equal to that which is generally produced in well-operated plants of a similar nature. MILWAUKEE covenants that such TAR shall not be mixed or contaminated by or with any other type of tar, oils, residue, or substances foreign to the type of tar to be sold hereunder, and shall not be stripped of any ingredients thereof, nor shall the TAR be subjected to any process which may change the original character thereof, except the removal of excess water.

ARTICLE V

MEASUREMENT OF TAR

The quantity of TAR in each delivery hereunder in tank cars and/or tank trucks shall be determined from the actual net weight of TAR delivered into each tank car or tank truck, provided scales at MILWAUKEE's PLANT are available for that purpose. In determining the weight per gallon of ash tank car or tank truck deliveries, the specific gravity shall be corrected to a basis of sixty degrees (60°) Fahrenheit. The coefficient for correction of said specific gravity

shall be .00038 for each degree Fahrenheit above or below sixty degrees (60°).

In the event that scales at MILWAUKEE's PLANT are not available for the purpose of determining actual net weight of TAR delivered into each tank car or tank truck, the quantity of TAR in each delivery hereunder shall be determined by volumetric measurements corrected to a basis of sixty degrees (60°) Fahrenheit and the coefficient for correction of said volume shall be .00032 for each degree Fahrenheit above or below sixty degrees (60°) Fahrenheit.

At the request of either party a redetermination of either temperature correction factor hereinabove provided may be agreed upon. Any such redetermination shall thereafter prevail until changed in the same manner.

ARTICLE VI

WATER IN TAR

No TAR shall be delivered to KOPPERS containing more than eight percent (8%) of water by volume, and only TAR containing not more than eight percent (8%) of water by volume shall constitute a delivery under the terms of this Agreement, unless written consent is given by KOPPERS, in which case the agreement then made shall supersede the provisions hereof, but only for the particular delivery of TAR covered by said written consent.

All deliveries under the terms hereof shall, in the event of the occurrence of the conditions hereinafter set forth, be subject to the following adjustments in quantity and price:

Any delivery of TAR which contains less than two percent (2%) of water by volume shall be corrected with respect to quantity by increasing the total quantity in such delivery to the basis of TAR containing two percent (2%) of water by volume.

Any delivery of TAR which contains more than two percent (2%) and not more than five percent (5%) of water by volume shall be corrected with respect to quantity

by reducing the total quantity in such delivery to the basis of TAR containing two percent (2%) of water by volume.

Any delivery of TAR which contains more than five percent (5%) and not more than eight percent (8%) of water by volume shall be corrected with respect to quantity by reducing the total quantity in such delivery to the basis of TAR containing two percent (2%) of water by volume, and in addition thereto shall be subject to a reduction in price thereof of one-quarter cent (1/4¢) per gallon of TAR so corrected and proportionate freight charges on moisture content in excess of two percent (2%) by volume.

From each delivery of TAR hereunder, as required by either party, MILWAUKEE shall take a sample and determine the water content thereof by American Society of Testing Materials Method of Test D95-40 and KOPPERS shall take a second sample on receipt of each shipment at KOPPERS' PLANT and determine the water content thereof by the same method. In the event of a difference in the results obtained by the parties hereto from such water determination, the two results shall be averaged and said average shall constitute the percentage of water in such delivery and shall be binding upon both parties; PROVIDED, however, that if any such water determinations differ by more than one percent (1%) by volume, KOPPERS shall notify MILWAUKEE and either party may request the other jointly to sample said delivery. Such joint sample shall be divided into three (3) equal parts, one of these parts to be analyzed by MILWAUKEE and one by KOPPERS. In the event the separate analyses of this sample shall not differ over one percent (1%) by volume the two results shall be averaged and said average shall be binding upon both parties, but in the event of a difference of over one percent (1%) by volume in the separate analyses, then the third part shall be analyzed by a disinterested chemist mutually agreed upon by the parties hereto, and his analysis shall be binding upon both parties for the delivery in question. The expense of such analysis by said disinterested chemist shall be borne equally by the parties hereto.

ARTICLE VII

PRICE OF AND PAYMENT FOR TAR

KOPPERS shall pay MILWAUKEE, on or before the tenth (10th) day of each calendar month during the term hereof, for all TAR delivered to and accepted by KOPPERS hereunder during the preceding calendar month the FIXED PRODUCT PRICE (as hereinafter defined), provided that in the event the NET SALES REVENUE PRICE (as hereinafter defined) for all TAR delivered to and accepted by KOPPERS hereunder during any calendar year hereof exceeds the sum of said monthly payments by KOPPERS for said calendar year, then KOPPERS shall pay said excess to MILWAUKEE as soon as practicable after the close of each such calendar year. In addition, KOPPERS shall pay MILWAUKEE, at the same time as above set forth, one-quarter cent (\$.0025) per gallon for that portion of the TAR, separated and shipped to KOPPERS at KOPPERS' request and designated as primary cooler tar.

The FIXED PRODUCT PRICE shall be an amount equal to the number of gallons of TAR so delivered and accepted during any calendar month hereof after correction for temperature and adjustment for water content as provided in ARTICLES V and VI hereof, multiplied by an amount equal to fifty percent (50%) of the FIXED PRODUCT REVENUE PER GALLON for such calendar month, less the amount, if any, required to make the price adjustment provided for in ARTICLE VI hereof.

The FIXED PRODUCT REVENUE PER GALLON in any particular calendar month shall be the sum of the MONTHLY PRICES PER GALLON for Creosote Oil and Roofing Pitch in such calendar month.

The MONTHLY PRICE PER GALLON for Creosote Oil in any particular calendar month shall be determined by multiplying by fifty percent (50%) the price per gallon for Creosote Oil (Coal Tar Crude) in tanks, as published in the first issue of the "Oil, Paint and Drug Reporter" (hereinafter referred to

as O.P.D.R.) for the calendar month in which the TAR was delivered. Should the O.P.D.R. report more than one price for Creosote Oil, then the average of the prices so reported shall be used.

The MONTHLY PRICE PER GALLON for Roofing Pitch in any particular calendar month shall be determined by multiplying by fifty percent (50%) the price per ton for KOPPERS' Old Style Roofing and Waterproofing Pitch, Carloads, in five hundred fifty pound (550 lb.) drums, f.o.b. Cicero, Illinois, as published in Koppers' Price Bulletin for Dealers in effect at the beginning of the month in which the TAR was delivered. Such price per ton shall then be converted to a price per gallon by using a division factor of two hundred (200) gallons per ton. In the event new prices for Roofing and Waterproofing Pitch are published in Koppers' Price Bulletin for Dealers, such new prices shall be considered as being in effect at the beginning of the month following the date of issuance of said Bulletin for the purpose of computing the MONTHLY PRICE PER GALLON for Roofing Pitch.

The NET SALES REVENUE PRICE for the TAR delivered to KOPPERS by MILWAUKEE and accepted by KOPPERS during any calendar year hereof shall be an amount equal to the number of gallons of TAR so delivered and accepted during such calendar year, after correction for temperature and adjustment for water content as provided in ARTICLES V and VI hereof, multiplied by an amount equal to fifty-five percent (55%) of the AVERAGE NET SALES REVENUE PER GALLON up to and including an AVERAGE NET SALES REVENUE PER GALLON of eight and one-half cents (8-1/2¢) and seventy percent (70%) of the AVERAGE NET SALES REVENUE PER GALLON in excess of eight and one-half cents (8-1/2¢) for such calendar year, less the amount, if any, required to make the price adjustment provided for in ARTICLE VI hereof.

The AVERAGE NET SALES REVENUE PER GALLON in any particular calendar year shall be determined by dividing the sum of the NET SALES REVENUE FOR KOPPERS' PLANT (hereinafter defined) and the NET SALES REVENUE FOR KOPPERS' CHICAGO PLANT (said KOPPERS' CHICAGO PLANT is hereby defined to be the Tar Plant of KOPPERS at Stickney, Illinois, and said NET SALES REVENUE thereof being hereinafter defined) by the total number of gallons of crude coal tar (hereinafter referred to as "COAL TAR" and defined specifically in ARTICLE X hereof) received at both KOPPERS' PLANT and KOPPERS' CHICAGO PLANT from any source during such calendar year, plus the total number of gallons of COAL TAR on hand at both said plants at the beginning of such calendar year, minus the total number of gallons of COAL TAR on hand at both said plants at the end of such calendar year, minus the total number of gallons of COAL TAR sold to others from both said plants or shipped from said plants to other plants of KOPPERS during such calendar year.

The volume of COAL TAR above mentioned shall be measured after correction for temperature and adjustment for water content as set forth in ARTICLES V and VI hereof.

The NET SALES REVENUE FOR KOPPERS' PLANT in any particular calendar year shall be determined as follows:

To the total proceeds of sales to customers (on an f.o.b. KOPPERS' PLANT basis) there shall be added the following items:

1. Shipments to KOPPERS' other crude tar processing plants of all processed COAL TAR products, manufactured from COAL TAR received at KOPPERS' PLANT, at a price equivalent to the final sales value (which shall mean the net revenue derived from the sale of the final finished products by the KOPPERS' other crude tar processing plant to which shipment of such

processed COAL TAR product was made) less freight, further processing costs, package costs, and other costs incidental to the manufacture of the final product produced from such materials. The price per gallon of any of these shipments after all deductions shall not, however, be less than the average price per gallon of sales from KOPPERS' PLANT of similar products;

2. Transfers to plants of KOPPERS other than crude tar processing plants of KOPPERS of processed COAL TAR products manufactured from COAL TAR received at KOPPERS' PLANT at an f.o.b. KOPPERS' PLANT price equivalent to KOPPERS' sales price of similar products. Transfers of processed COAL TAR products to be included on the basis set forth in this paragraph 2 shall include transfers to specialty plants or facilities, whether located at KOPPERS' PLANT or elsewhere, such as all creosote compositions transferred to a KOPPERS' wood preserving plant; COAL TAR pitches transferred to a KOPPERS' pipe coating or enamel plant; road tars transferred to a KOPPERS' pre-mix plant;
3. Increase in said calendar year in inventory of COAL TAR products processed at KOPPERS' PLANT at inventory value, based upon cost or market value, whichever is lower;
4. COAL TAR pitch or COAL TAR oil manufactured and used for fuel at KOPPERS' PLANT, based upon cost or market value, whichever is higher;
5. KOPPERS' cost of COAL TAR shipped to KOPPERS' other plants.

KOPPERS and MILWAUKEE agree to review and discuss at the end of each calendar year the inter-plant shipments and transfers, mentioned in (1), (2), and (3) above, which were made during such calendar year. If such a review indicates that these transactions have adversely affected the NET SALES REVENUE for such calendar year, then KOPPERS agrees to negotiate a revision of this Agreement, effective for the ensuing calendar year, consistent with the then current market conditions and to make such mutually satisfactory adjustment for the most recently concluded calendar year to rectify past decisions admittedly made by KOPPERS not in accordance with sound business practice and with due regard to known conditions existing at the time of said decision.

From the sum of the foregoing, deduct the following items:

1. Road tar application charges;
2. Selling price of merchandise returned and the amount of allowances made to customers;
3. Sales commissions paid to companies or individuals not connected or affiliated in any way with KOPPERS, it being understood that KOPPERS shall at all times and at its own expense maintain an adequate sales force so that sales commissions to others shall be paid only to meet competitive conditions;
4. Proceeds of sales of materials not manufactured from COAL TAR;
5. Revenue derived from sales of materials, other than COAL TAR and its derivative products processed at KOPPERS' PLANT, entering into products containing any portion of the COAL TAR and its derivative products processed at KOPPERS' PLANT; such revenue shall be an amount which bears the same ratio to the sales revenue of the product as the cost of such other materials bears to the total cost of all materials entering into such product;
6. Cost of packages used. With respect to shipments in tank cars or tank trucks, the term "cost of packages" shall mean KOPPERS' tank car and tank truck operating costs which shall not exceed current tank car or tank truck rentals;
7. Proceeds of sales of COAL TAR, and KOPPERS' cost of COAL TAR shipped to KOPPERS' other plants;
8. Decrease in said calendar year in inventory of COAL TAR products processed at KOPPERS' PLANT, at inventory value, based upon cost or market value, whichever is lower;
9. Taxes on sales of products from KOPPERS' PLANT not passed on to customers;
10. Freight expense incurred by KOPPERS in shipping TAR from MILWAUKEE's PLANT to KOPPERS' PLANT.

It is understood and agreed that the NET SALES REVENUE herein defined shall be determined from the following products which KOPPERS contemplates manufacturing at KOPPERS' PLANT:

COAL TAR PITCHES
ROAD TARs
REFINED TARs
CREOSOTE OIL
CREOSOTE COAL TAR SOLUTIONS

HEAVY RESIDUE CREOSOTE OIL
CREOSOTE SOLUTION TAR
CREOSOTE SOLUTION OIL
CHEMICAL OIL

In the event that KOPPERS shall hereafter deem it desirable to manufacture at KOPPERS' PLANT products containing coal tar or its derivative products other than those just named, and other than products of specialty plants or facilities hereafter constructed, then KOPPERS shall negotiate with MILWAUKEE a mutually agreeable revision to be made in the method of computing the NET SALES REVENUE to include such other products.

The NET SALES REVENUE FOR KOPPERS' CHICAGO PLANT in any particular calendar year shall be determined as follows:

To the total proceeds of sales to customers (on an f.o.b. KOPPERS' CHICAGO PLANT basis) after deducting credits granted to customers for merchandise returned, cash discounts, and other allowances, if any, there shall be added the following items:

1. Shipments to KOPPERS' other crude tar processing plants for further processing of processed COAL TAR products manufactured from COAL TAR received at KOPPERS' CHICAGO PLANT at a price per unit shipped equivalent to the final sales value per unit less freight, further processing costs, package costs, and other costs incidental to the manufacture of the final product produced from such materials. Such unit price after all deductions shall not, however, be less than the average unit price of sales of similar products from KOPPERS' CHICAGO PLANT.
2. Shipments to KOPPERS' other crude tar processing plants of finished COAL TAR products manufactured from COAL TAR received at KOPPERS' CHICAGO PLANT at a price per unit shipped equivalent to the average unit price of sales of similar products from KOPPERS' CHICAGO PLANT.
3. Transfers to plants of KOPPERS other than crude tar processing plants of KOPPERS' processed COAL TAR products manufactured from COAL TAR received at KOPPERS' CHICAGO PLANT at an f.o.b. KOPPERS' CHICAGO PLANT price per unit transferred equivalent to KOPPERS' unit sales price of similar products from KOPPERS' CHICAGO PLANT. Transfers of processed COAL TAR products to be included on the basis set forth in this sub-paragraph 3 shall include transfers to specialty plants or facilities, as now constructed, or hereafter constructed, whether located at KOPPERS' CHICAGO PLANT or elsewhere, such as, but not restricted to, all creosote compositions transferred to a KOPPERS' wood preserving plant; crude naphthalene transferred to a KOPPERS' naphthalene refining plant or to a

KOPPERS' phthalic anhydride plant; COAL TAR pitches transferred to a KOPPERS' pipe coating or enamel plant; road tars transferred to a KOPPERS' premix plant; refined tar acids transferred to a KOPPERS' chemical plant.

4. Increase in said calendar year in inventory of COAL TAR products processed at KOPPERS' CHICAGO PLANT at inventory value, based upon cost or market value, whichever is lower.
5. Value of COAL TAR pitch or COAL TAR oil manufactured and used for fuel at KOPPERS' CHICAGO PLANT, such value to be based on the then prevailing cost at KOPPERS' CHICAGO PLANT of alternate fuel.
6. Value of COAL TAR shipped to KOPPERS' other plants.

From the sum of the foregoing, deduct the following items:

1. Road tar delivery and/or application charges, when delivery and/or application are performed with equipment owned by KOPPERS.
2. Sales commissions paid to companies or individuals not connected or affiliated in any way with KOPPERS, it being understood that KOPPERS shall at all times and at its own expense maintain an adequate sales force so that sales commissions to others shall be paid only to meet competitive conditions.
3. Proceeds of sales of materials not manufactured from COAL TAR.
4. Value of materials, other than COAL TAR and its derivative products processed at KOPPERS' CHICAGO PLANT, entering into products containing any portion of the COAL TAR and its derivative products processed at KOPPERS' CHICAGO PLANT. Such value shall be determined as follows:
 - (a) In the case of Road Tar, it shall be an amount calculated by multiplying the average price per gallon of bulk sales of Road Tar from KOPPERS' CHICAGO PLANT by the gallons of materials, other than COAL TAR and its derivative products processed at KOPPERS' CHICAGO PLANT, entering into Road Tar; provided that such average price per gallon shall not be less than the total delivered cost per gallon at KOPPERS' CHICAGO PLANT for said materials.
 - (b) In the case of all other products, said value shall be an amount determined as follows:
 - (1) From the total proceeds of sales of said products (on an f.o.b. KOPPERS' CHICAGO PLANT basis) deduct credits granted for merchandise returned, cash discounts and other allowances, if any.
 - (2) From the amount determined in (b)(1) above, deduct the value of the COAL TAR and its derivative products processed at KOPPERS' CHICAGO PLANT, entering into such product.

- (3) Such value of said COAL TAR and its derivative products deducted in (b)(2) above, shall be determined by multiplying the units of said COAL TAR and its derivative products by a unit price equivalent to the average unit price of sales of similar products from KOPPERS' CHICAGO PLANT.
5. Cost of packaging. With respect to shipments in drums or small containers, the term "cost of packaging" shall mean the delivered cost of the drum or container at KOPPERS' CHICAGO PLANT plus the cost of filling the same. With respect to shipments in tank cars or tank trucks, the term "cost of packaging" shall mean current established commercial tank car or tank truck rental rates, as the case may be.
 6. Proceeds of sales of COAL TAR and value of COAL TAR shipped to KOPPERS' other plants.
 7. Decrease in said calendar year in inventory of COAL TAR products processed at KOPPERS' CHICAGO PLANT at inventory value, based upon cost or market value, whichever is lower.
 8. Taxes on sales of products from KOPPERS' CHICAGO PLANT not passed on to customers, and sales taxes and similar taxes, if any, on COAL TAR received at KOPPERS' CHICAGO PLANT.
 9. Switching, cartage and drayage charges related to COAL TAR materials paid by KOPPERS at KOPPERS' CHICAGO PLANT but not passed on to customers.
 10. Freight expense, if any, incurred by KOPPERS not only in shipping TAR from MILWAUKEE's PLANT to KOPPERS' CHICAGO PLANT but also in shipping to KOPPERS' CHICAGO PLANT crude coke oven tar obtained from any other source, provided KOPPERS' PLANT is not in operation at the time said expense is incurred.

It is understood and agreed that the NET SALES REVENUE herein defined shall be determined from the following products now being manufactured at KOPPERS' CHICAGO PLANT, it being further understood and agreed that KOPPERS is not bound or obligated to continue the manufacture of any or all of the stated products or of any other product added hereto in accordance with the provisions hereinafter set forth:

COAL TAR PITCHES
ROAD TARS
REFINED TARS
CREOSOTE OIL
CREOSOTE COAL TAR SOLUTIONS

HEAVY RESIDUE CREOSOTE OIL
CREOSOTE SOLUTION TAR
CREOSOTE SOLUTION OIL
NAPHTHALENE (CRUDE)
TARRED FELT

In the event that KOPPERS shall hereafter deem it desirable to manufacture at KOPPERS' CHICAGO PLANT products containing, coal tar or its derivative products other than those just named, and other than products of specialty plants or facilities hereafter constructed, then KOPPERS shall negotiate with MILWAUKEE a mutually agreeable revision to be made in the method of computing the NET SALES REVENUE to include such other products.

ARTICLE VIII

AUDIT

MILWAUKEE shall have the right to audit and inspect such records of KOPPERS as are pertinent to the determination of the NET SALES REVENUE and/or the NET SALES REVENUE PER GALLON made by KOPPERS for any calendar year, but for such purpose only. If any such audit or inspection by MILWAUKEE shall result in a determination differing from that of KOPPERS, the determination may, at the option of either party, be referred to Certified Public Accountants mutually agreed upon, whose report shall be final and binding upon both parties hereto. The expense of such audit shall be borne by the party whose determination shall thereby have been shown to be incorrect; PROVIDED, however, that if the determination resulting from such audit varies materially from the separate determinations of each of the parties hereto, the said expense shall be divided equally between them.

ARTICLE IX

STORAGE OF TAR

MILWAUKEE agrees to provide storage at MILWAUKEE's PLANT to the extent of its present capacity to protect against reasonable delays in the acceptance of TAR by KOPPERS hereunder and/or in the movement of tank cars or tank trucks furnished by KOPPERS. MILWAUKEE shall provide, in its judgment, adequate TAR

storage capacity consistent with its rate of TAR production. KOPPERS agrees to use due diligence in providing for the taking of the TAR purchased hereunder, provided MILWAUKEE has not increased its TAR production at a rate disproportionate with its TAR storage capacity.

ARTICLE X

DEFINITIONS

The term "gallon" wherever used herein shall be understood to mean a United States standard gallon of two hundred thirty-one (231) cubic inches. (Any calculations involving weight-volume relationships shall consider water as weighing 8.33 pounds per gallon.) The word "customer" wherever used herein shall be understood not to include any plant of KOPPERS.

The words "COAL TAR" as used in this Agreement shall be understood to mean crude coal tar produced from coal from by-product coke ovens and shall exclude tar produced by or through the operation of a water gas plant.

ARTICLE XI

CONTINGENCIES

If either party hereto shall be prevented or delayed in the performance of any or all of the provisions hereof by reason of any strike, lockout, boycott, industrial disturbance, ice or snow conditions, action of the elements, delay in obtaining or shortage of transportation equipment, exceptional weather, act of God, lightning, flood, earthquake, fire, explosion, epidemic, war, insurrection, embargo, accident, governmental regulations, or any other cause beyond its control affecting the operation of MILWAUKEE's PLANT or KOPPERS' PLANT or KOPPERS' CHICAGO PLANT if deliveries are at the time being made to ~~such plant~~ whether similar to the causes above enumerated or otherwise, the delay or loss suffered therefrom by the other party hereto shall not be chargeable in any way to the

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party so prevented or delayed; and the obligations hereunder of the party so prevented or delayed shall be suspended so long as such cause shall have effect but for no longer period, and such cause shall so far as possible be remedied with all reasonable dispatch.

ARTICLE XII

ARBITRATION

Except as otherwise herein provided, in case any disagreement or difference shall arise between the parties hereto, their successors or assigns, in relation to this Agreement, whether as to the construction or operation thereof or as to the respective rights, liabilities, duties, or obligations thereunder, the matters in dispute shall be submitted to three competent arbitrators, one to be appointed by each party, and the third to be appointed by the other two, and the award in writing signed by any two of them shall be final and conclusive upon the parties hereto. In case either of the said parties shall fail to appoint an arbitrator as aforesaid within ten (10) days after written notice given by the other party to make such appointment, then and in that event the arbitrator appointed by the party not in default shall appoint a like competent arbitrator for the defaulting party, and the said two arbitrators so appointed shall select a third arbitrator. In the event of the failure of the two arbitrators appointed as aforesaid to agree upon a third within ten (10) days after their appointment, then the third arbitrator shall be appointed by the senior United States District Judge, or, in the event of his failure or refusal to act, by any other Judge of the United States District Court having jurisdiction of the area in which MILWAUKEE's PLANT is located, and said Judge is hereby requested to act in the premises and name the third arbitrator. The three so chosen shall as promptly as possible hear and decide such difference

or dispute, and make every reasonable effort to reach a decision within thirty (30) days after their appointment, and the award in writing signed by any two of them shall be final and conclusive upon the parties hereto.

The parties hereto stipulate and agree that they will abide by and perform such award. The expense of such arbitration, including the fee of the third arbitrator, shall be borne equally by the parties hereto, provided, however, that each party shall bear the fee of the arbitrator which it appoints or which is appointed for it.

ARTICLE XIII

NOTICES

Any notice required or permitted to be given hereunder shall be deemed to be duly given if mailed by registered mail, postage prepaid, in the case of MILWAUKEE addressed to Milwaukee Solvay Coke Company, 740 North Milwaukee Street, Milwaukee 1, Wisconsin, and in the case of KOPPERS addressed to Koppers Company, Inc., Tar Products Division, Koppers Building, 436 Seventh Avenue, Pittsburgh 19, Pennsylvania.

ARTICLE XIV

TERMINATION OF EXISTING AGREEMENTS

The agreement dated July 18, 1952, as amended (on June 16, 1954) between the parties hereto is cancelled and terminated as of January 1, 1955, to be superseded by this present writing, anything in said agreement of July 18, 1952, to the contrary notwithstanding, provided that liabilities of either party accrued to the other party under said agreement prior to the termination of said agreement shall not themselves be terminated.

ARTICLE XV

ASSIGNABILITY

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns; provided, however, that neither party hereto shall have the right to assign this Agreement without the prior written consent of the other party hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and their respective seals to be hereunto affixed by their proper officers thereunto duly authorized, the day and year first above written.

MILWAUKEE SOLVAY COKE COMPANY

By (Sgd) Louis B. Kress
President

ATTEST:

(Seal) (Sgd) P. J. Haeffner
Secretary

KOPPERS COMPANY, INC.

By (Sgd) R R Holmes
Vice President

YSC
BSC

ATTEST:

(Seal) (Sgd) John M. Grimmins
Assistant Secretary

File

J. Donald May

Procurement Department

Finance Section

June 29, 1954

Milwaukee Solvay Coke Company

Attached for your permanent files is the signed original of our letter of June 16, 1954, to the above Company by which the Tar Agreement of July 18, 1952, is amended.

Two conformed copies of this letter are attached for the use of your Department and that of Accounting.

T. H. Bartholomew

lhm

(2) Attachments - 3

cc: F. J. Bricker - 1 attachment
W. E. Walters - 2 attachments
B. A. Horn, Jr. - 1 attachment
J. T. Tierney - 1 attachment

June 16, 1954

Mr. Louis G. Kreuz, President
Milwaukee Solvay Coke Company
740 North Milwaukee Street
Milwaukee 1, Wisconsin

Dear Mr. Kreuz:

For the past several months you have been separating your Tar into primary cooler tar and heavy tar for us. This primary cooler tar has been satisfactory for our use in the manufacture of fiber pitch at Carrollville, and we plan to continue to produce this pitch there as long as its quality is satisfactory to our customer.

In order to reimburse you for the expense involved in separating and shipping two grades of Tar, we agree to pay Milwaukee Solvay a premium of one-quarter cent ($1/4\text{¢}$) per gallon for all primary cooler tar when we request that you separate and ship it to us. In addition, we agree to pay Milwaukee Solvay for the actual cost of piping changes and a new pump, estimated at about fifteen-hundred dollars (\$1500). These payments are to be in addition to all payments due by Rogers as provided in Article VII of the Tar Agreement, dated July 18, 1952, between our respective Companies.

If this offer is satisfactory, will you please so indicate by signing and returning one copy of this letter to us for our files, and it shall be deemed that the aforesaid Tar Agreement of July 18, 1952, is amended accordingly.

Very truly yours,

Sgd/ Harry B. Cummings

H. B. Cummings

ACCEPTED:

MILWAUKEE SOLVAY COKE COMPANY

By *Sgd/ Louis G. Kreuz*
President

RECEIVED
JUL 16 1954
MILWAUKEE SOLVAY COKE COMPANY

File

J. Donald May

Procurement Department

Control Department

July 21, 1952

Milwaukee Solvay Coke Company

We are enclosing for the permanent contract files a completely executed copy of our Tax Agreement with the above company for the period beginning November 1, 1951, and ending December 31, 1956.

Two copies are enclosed, one for your use and one for the Accounting Department.



H. B. Cummings

lhm

Enclosures - 3

cc: Mr. W. E. Walters - 2
Mr. F. J. Eriker
Mr. B. A. Horn, Jr. ✓
Mr. W. C. Boyd

AGREEMENT

THIS AGREEMENT, Made this 18th day of July, 1932, by and between MILWAUKEE SOLVAY COKE COMPANY (hereinafter referred to as "MILWAUKEE") a Wisconsin corporation, having its principal office at Milwaukee, Wisconsin, and KOPPERS COMPANY, INC. (hereinafter referred to as "KOPPERS") a Delaware corporation, having its general office at Pittsburgh, Pennsylvania;

WITNESSETH:

That in consideration of the respective undertakings hereunder, the parties hereto, each intending to be legally bound hereby, covenant and agree, respectively, as follows:

ARTICLE I

TERM OF THIS AGREEMENT

This Agreement shall be and remain in full force and effect for the period beginning November 1, 1931, and ending December 31, 1936.

ARTICLE II

TAR SOLD AND PURCHASED

MILWAUKEE hereby agrees to sell to KOPPERS and KOPPERS hereby agrees to purchase from MILWAUKEE during the term of this Agreement, on the terms and conditions hereinafter set forth, all crude coke oven tar produced by MILWAUKEE at MILWAUKEE'S coke plant, as now or hereafter constituted, located at Milwaukee, Wisconsin, (referred to hereinafter as "MILWAUKEE'S PLANT"). Such crude coke oven tar is hereinafter referred to as "TAR". At any time during the term of this Agreement should MILWAUKEE deem it desirable to use a portion of its Tar in the manufacture of products containing coal tar or its derivative products rather than sell all of said Tar to KOPPERS, and should KOPPERS, as a result of such change, cease to process TAR at KOPPERS' Tar Plant, located at Carrollville, Wisconsin, (said Plant being hereinafter referred to as KOPPERS' PLANT) then it

is mutually agreed that MILWAUKEE and KOPPERS will negotiate a revision of this Agreement to reflect the changed conditions. The party desiring to make a change shall give to the other party written notice of its desire to make such change, at least twelve (12) months prior to the desired effective date thereof.

ARTICLE III

DELIVERY OF TAR

As directed by KOPPERS, MILWAUKEE shall load TAR into tank cars (and/or if mutually agreed to by both parties, tank trucks) furnished by KOPPERS for shipment to KOPPERS' PLANT or for shipment to plants of KOPPERS' other than KOPPERS' PLANT. Title to such TAR shall pass to KOPPERS upon loading, on an f.o.b. MILWAUKEE'S PLANT basis, and the contents of each tank car or tank truck loaded shall be considered a separate delivery hereunder.

ARTICLE IV

QUALITY OF TAR

The quality of TAR sold hereunder is to be equal to that which is generally produced in well-operated plants of a similar nature. MILWAUKEE covenants that such TAR shall not be mixed or contaminated by or with any other type of tar, oils, residues, or substances foreign to the type of tar to be sold hereunder, and shall not be stripped of any ingredients thereof, nor shall the TAR be subjected to any process which may change the original character thereof, except the removal of excess water.

ARTICLE V

MEASUREMENT OF TAR

The quantity of TAR in each delivery hereunder in tank cars and/or tank trucks shall be determined from the actual net weight of TAR delivered into each tank car or tank truck, provided scales at MILWAUKEE'S PLANT are

available for that purpose. In determining the weight per gallon of such tank car or tank truck deliveries, the specific gravity shall be corrected to a basis of sixty degrees (60°) Fahrenheit. The coefficient for correction of said specific gravity shall be .00038 for each degree Fahrenheit above or below sixty degrees (60°).

In the event that scales at MILWAUKEE'S PLANT are not available for the purpose of determining actual net weight of TAR delivered into each tank car or tank truck, the quantity of TAR in each delivery hereunder shall be determined by volumetric measurements corrected to a basis of sixty degrees (60°) Fahrenheit and the coefficient for correction of said volume shall be .00032 for each degree Fahrenheit above or below sixty degrees (60°) Fahrenheit.

At the request of either party a redetermination of either temperature correction factor hereinabove provided may be agreed upon. Any such redetermination shall thereafter prevail until changed in the same manner.

ARTICLE VI

WATER IN TAR

No TAR shall be delivered to KOPPERS containing more than eight per cent (8%) of water by volume, and only TAR containing not more than eight per cent (8%) of water by volume shall constitute a delivery under the terms of this Agreement, unless written consent is given by KOPPERS, in which case the agreement then made shall supersede the provisions hereof, but only for the particular delivery of TAR covered by said written consent.

All deliveries under the terms hereof shall, in the event of the occurrence of the conditions hereinafter set forth, be subject to the following adjustments in quantity and price:

Any delivery of TAR which contains less than two per cent (2%) of water by volume shall be corrected with respect to quantity by increasing the total quantity in

such delivery to the basis of TAR containing two per cent (2%) of water by volume.

Any delivery of TAR which contains more than two per cent (2%) and not more than five per cent (5%) of water by volume shall be corrected with respect to quantity by reducing the total quantity in such delivery to the basis of TAR containing two per cent (2%) of water by volume.

Any delivery of TAR which contains more than five per cent (5%) and not more than eight per cent (8%) of water by volume shall be corrected with respect to quantity by reducing the total quantity in such delivery to the basis of TAR containing two per cent (2%) of water by volume, and in addition thereto shall be subject to a reduction in price thereof of one-quarter cent (1/4¢) per gallon of TAR so corrected.

From each delivery of TAR hereunder, as required by either party, MILWAUKEE shall take a sample and determine the water content thereof by American Society of Testing Materials Method of Test D95-40 and KOPPERS shall take a second sample on receipt of each shipment at KOPPERS' PLANT and determine the water content thereof by the same method. In the event of a difference in the results obtained by the parties hereto from such water determination, the two results shall be averaged and said average shall constitute the percentage of water in such delivery and shall be binding upon both parties; PROVIDED, however, that if any such water determinations differ by more than one per cent (1%) by volume, KOPPERS shall notify MILWAUKEE and either party may request the other jointly to sample said delivery. Such joint sample shall be divided into three (3) equal parts, one of these parts to be analyzed by MILWAUKEE and one by KOPPERS. In the event the separate analyses of this sample shall not differ over one per cent (1%) by volume the two results shall be averaged and said average shall be binding upon both parties, but in the event of a difference of over one per cent (1%) by volume in the separate analyses, then the third part shall be analyzed by a disinterested chemist mutually agreed upon by the parties

hereto, and his analysis shall be binding upon both parties for the delivery in question. The expense of such analysis by said disinterested chemist shall be borne equally by the parties hereto.

ARTICLE VII

PRICE OF AND PAYMENT FOR TAR

KOPPERS shall pay MILWAUKEE on or before the tenth (10th) day of each calendar month, during the period of this Agreement, for all TAR delivered to and accepted by KOPPERS under the terms hereof during the preceding calendar month, a price per gallon to be mutually agreed upon from time to time between the parties. Such price shall be an estimate of the contract price in order to minimize periodic adjustments.

If for any contract period (as hereinafter defined) of this Agreement the contract price (as hereinafter defined) of TAR delivered by MILWAUKEE and accepted by KOPPERS, for such contract period (as hereinafter defined), exceeds the total amount paid to MILWAUKEE for such contract period (as hereinafter defined), then KOPPERS shall pay MILWAUKEE the amount of such excess. If for any contract period (as hereinafter defined) of this Agreement the contract price (as hereinafter defined) of TAR delivered by MILWAUKEE, and accepted by KOPPERS, for such contract period (as hereinafter defined), is less than the total amount paid to MILWAUKEE for such contract period (as hereinafter defined), then MILWAUKEE shall pay KOPPERS the amount of such deficiency. Such additional payments or refunds, as the case may be, shall be made as soon as practicable after the close of each such contract period (as hereinafter defined).

"Contract period" for the purpose of this Agreement shall be a period of time defined as follows: The first contract period shall consist of the fourteen (14) month period commencing the first day of November, 1951, and ending the thirty-first (31st) day of December, 1952; the second contract

period and all succeeding contract periods shall consist of the twelve (12) month period immediately succeeding the preceding contract period and shall commence on the first day of January and terminate on the thirty-first (31st) day of December in the same calendar year.

The contract price for the TAR delivered to KOPPERS by MILWAUKEE and accepted by KOPPERS during each contract period, shall be an amount equal to the number of gallons of TAR so delivered and accepted during such contract period after correction for temperature and adjustment for water content as provided in Articles V and VI hereof, multiplied by an amount equal to fifty-five per cent (55%) of the NET SALES REVENUE PER GALLON up to and including a NET SALES REVENUE PER GALLON of eight and one-half cents (8-1/2¢) and seventy per cent (70%) of the NET SALES REVENUE PER GALLON in excess of eight and one-half cents (8-1/2¢) derived from the operation of KOPPERS' PLANT during such contract period, less the amount, if any, required to make the price adjustment provided for in Article VI hereof.

The NET SALES REVENUE PER GALLON derived from the operation of KOPPERS' PLANT in any particular contract period, shall be determined by dividing the NET SALES REVENUE (as hereinafter defined) of KOPPERS' PLANT for such contract period by the number of gallons of crude coal tar (hereinafter referred to as "COAL TAR" and defined specifically in Article X hereof) received at KOPPERS' PLANT from any source during such contract period, plus the number of gallons of COAL TAR on hand at the beginning of such contract period, minus the number of gallons of COAL TAR on hand at the end of such contract period, minus the number of gallons of COAL TAR sold to others or shipped to other plants of KOPPERS during such contract period.

The volume of COAL TAR above-mentioned shall be measured after correction for temperature and adjustment for water content as set forth in Articles V and VI hereof.

The NET SALES REVENUE derived from the operation of KOPPERS' PLANT in any particular contract period shall be determined as follows:

To the total proceeds of sales to customers (on an f.o.b. KOPPERS' PLANT basis) there shall be added the following items:

1. Shipments to KOPPERS' other crude tar processing plants of all processed COAL TAR products, manufactured from COAL TAR received at KOPPERS' PLANT, at a price equivalent to the final sales value (which shall mean the net revenue derived from the sale of the final finished products by the KOPPERS' other crude tar processing plant to which shipment of such processed COAL TAR product was made) less freight, further processing costs, packaging costs, and other costs incidental to the manufacture of the final product produced from such materials. The price per gallon of any of these shipments after all deductions shall not, however, be less than the average price per gallon of sales from KOPPERS' PLANT of similar products;
2. Transfers to plants of KOPPERS' other than crude tar processing plants of KOPPERS' of processed COAL TAR products manufactured from COAL TAR received at KOPPERS' PLANT at an f.o.b. KOPPERS' PLANT price equivalent to KOPPERS' sales price of similar products. Transfers of processed COAL TAR products to be included on the basis set forth in this paragraph 2 shall include transfers to specialty plants or facilities, whether located at KOPPERS' PLANT or elsewhere, such as all crocote compositions transferred to a KOPPERS' wood preserving plant; COAL TAR pitches transferred to a KOPPERS' pipe coating or enamel plant; road tars transferred to a KOPPERS' pre-asphalt plant;
3. Increase in said contract period in inventory of COAL TAR products processed at KOPPERS' PLANT at inventory value, based upon cost or market value, whichever is lower;
4. COAL TAR pitch or COAL TAR oil manufactured and used for fuel at KOPPERS' PLANT, based upon cost or market value, whichever is higher;
5. KOPPERS' cost of COAL TAR shipped to KOPPERS' other plants.

KOPPERS and KOLMAYERS agree to review and discuss at the end of each Contract Period the inter-plant shipments and transfers, mentioned in (1), (2), and (5) above, which were made during such Contract Period. If such a review indicates that these transactions have adversely affected the NET SALES REVENUE for such Contract Period, then KOPPERS agrees to negotiate a revision of this Agreement, effective for the ensuing Contract Period, consistent with the then current market conditions and to make such mutually satisfactory adjustment for the most recently concluded Contract Period to rectify past decisions admittedly made by KOPPERS not in accordance with sound business practice and with due regard to known conditions existing at the time of said decision.

From the sum of the foregoing, deduct the following items:

1. Road tar application charges;
2. Selling price of merchandise returned and the amount of allowances made to customers;
3. Sales commissions paid to companies or individuals not connected or affiliated in any way with KOPPERS, it being understood that KOPPERS shall at all times and at its own expense maintain an adequate sales force so that sales commissions to others shall be paid only to meet competitive conditions;
4. Proceeds of sales of materials not manufactured from COAL TAR;
5. Revenue derived from sales of materials, other than COAL TAR and its derivative products processed at KOPPERS' PLANT, entering into products containing any portion of the COAL TAR and its derivative products processed at KOPPERS' PLANT; such revenue shall be an amount which bears the same ratio to the sales revenue of the product as the cost of such other materials bears to the total cost of all materials entering into such product;
6. Cost of packages used. With respect to shipments in tank cars or tank trucks, the term "cost of packages" shall mean KOPPERS' tank car and tank truck operating costs which shall not exceed current tank car or tank truck rentals;
7. Proceeds of sales of COAL TAR, and cost of COAL TAR shipped to KOPPERS' other plants;
8. Decrease in said contract period in inventory of COAL TAR products processed at KOPPERS' PLANT, at inventory value, based upon cost or market value, whichever is lower;
9. Taxes on sales of products from KOPPERS' PLANT not passed on to customers;
10. Freight expense incurred by KOPPERS in shipping TAR from MILWAUKEE'S PLANT to KOPPERS' PLANT.

It is understood and agreed that the NET SALES REVENUE herein defined shall be determined from the following products which KOPPERS contemplates manufacturing at KOPPERS' PLANT:

COAL TAR PITCHES
ROAD TARS
REFINED TARS
CREOSOTE OIL
CREOSOTE COAL TAR SOLUTIONS

HEAVY RESIDUE CREOSOTE OIL
CREOSOTE SOLUTION TAR
CREOSOTE SOLUTION OIL
CHEMICAL OIL
NAPHTHALENE

In the event that KOPPERS shall hereafter deem it desirable to manufacture at KOPPERS' PLANT products containing coal tar or its derivative products other than those just named, and other than products of specialty plants or facilities hereafter constructed, then KOPPERS shall negotiate with MILWAUKEE on mutually agreeable revision to be made in the method of computing the NET SALES REVENUE to include such other products.

ARTICLE VIII

AUDIT

MILWAUKEE shall have the right to audit and inspect such records of KOPPERS as are pertinent to the determination of the NET SALES REVENUE and/or the NET SALES REVENUE PER GALLON made by KOPPERS for any contract period, but for such purpose only. If any such audit or inspection by MILWAUKEE shall result in a determination differing from that of KOPPERS, the determination may, at the option of either party, be referred to Certified Public Accountants mutually agreed upon, whose report shall be final and binding upon both parties hereto. The expense of such audit shall be borne by the party whose determination shall thereby have been shown to be incorrect; PROVIDED, however, that if the determination resulting from such audit varies materially from the separate determinations of each of the parties hereto, the said expense shall be divided equally between them.

ARTICLE IX

STORAGE OF TAR

MILWAUKEE agrees to provide storage at MILWAUKEE'S PLANT to the extent of its present capacity to protect against reasonable delays in the acceptance of TAR by KOPPERS hereunder and/or in the movement of tank cars or tank trucks furnished by KOPPERS. MILWAUKEE shall provide, in its judgment, adequate TAR storage capacity consistent with its rate of TAR production. KOPPERS agrees to use due diligence in providing for the taking of the TAR purchased hereunder,

provided MILWAUKEE has not increased its TAR production at a rate disproportionate with its TAR storage capacity.

ARTICLE X

DEFINITIONS

The term "gallon" wherever used herein shall be understood to mean a United States standard gallon of two hundred thirty-one (231) cubic inches. (Any calculations involving weight-volume relationships shall consider water as weighing 8.33 pounds per gallon.) The word "customer" wherever used herein shall be understood not to include any plant of KOPPERS.

The words "COAL TAR" as used in this Agreement shall be understood to mean crude coal tar produced from coal from by-product coke ovens and shall exclude tar produced by or through the operation of a water gas plant.

ARTICLE XI

CONTINGENCIES

If either party hereto shall be prevented or delayed in the performance of any or all of the provisions hereof by reason of any strike, lockout, boycott, industrial disturbance, ice or snow conditions, action of the elements, delay in railroad transportation, exceptional weather, act of God, lightning, flood, earthquake, fire, explosion, epidemic, war, insurrection, embargo, accident, shortage of cars, governmental regulations, or any other cause beyond its control affecting the operation of MILWAUKEE'S PLANT or KOPPERS' PLANT, whether similar to the causes above enumerated or otherwise, the delay or loss suffered therefrom by the other party hereto shall not be chargeable in any way to the party so prevented or delayed; and the obligations hereunder of the party so prevented shall be suspended so long as such cause shall have effect but for no longer period, and such cause shall so far as possible be remedied with all reasonable dispatch.

ARTICLE XII

TERMINATION OF EXISTING AGREEMENTS

The agreement of January 2, 1948, as amended (on December 2, 1949, and October 23, 1950,) between the parties hereto is cancelled and terminated as of November 1, 1951, to be superseded by the present writing, anything in said agreement of January 2, 1948, to the contrary notwithstanding, provided that liabilities of either party accrued to the other party under said agreement prior to the termination of said agreement shall not themselves be terminated.

ARTICLE XIII

ASSIGNABILITY

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns; provided, however, that neither party hereto shall have the right to assign this Agreement without the prior written consent of the other party hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and their respective seals to be hereunto affixed by their proper officers thereunto duly authorized, the day and year first above written.

MILWAUKEE SOLVAY COKE COMPANY

By (Sgd) Louis G. Krueger
President

*Seal
Affixed*
ATTEST:

(Sgd) R. J. Kortsch
Secretary

KOPPERS COMPANY, INC.

By (Sgd) Fred C. Roy
Vice President

*Seal
Affixed*
ATTEST:

(Sgd) C. M. Cuck
and Secretary

Mr. Louis G. Kreuz, President
Milwaukee Solvay Coke Company
311 East Greenfield Avenue
Milwaukee 1, Wisconsin

Dear Mr. Kreuz:

With further reference to our letter of May 15 in reply to yours of May 6, we have prepared a re-draft of the proposed tar agreement to incorporate the changes you suggested.

Article II has been revised to include a provision for your using a portion of your tar for manufacturing coal tar or its derivative products. In this Article, we have also covered the point raised in the second paragraph, page 3, of your letter, so that the agreement would be renegotiated if for any reason we should decide not to process tar at Carrollville. It has been provided also that should either of these changes be made, at least 6 months prior written notice is required.

Articles III, IV, and VI of the agreement have been rewritten to include the changes you suggested in your letter.

Pages 7 and 8 of the rewritten agreement cover most of the questions you raised about the various additions to and deductions from the proceeds of sales to customers in Article VII.

- a. In point 1 - additions, we have defined "sales value."
- b. In point 4 - additions, pitch or oil used for fuel will be based on cost or market value.
- c. In point 5 - additions, we have eliminated the term "value" and substituted "KOPPERS' cost" (This has also been done in point 7 of the deductions.), since crude coal tar shipped to one of our other plants is charged to that plant at our cost.
- d. After point 5 - additions, we have added a paragraph to cover the review at the end of each contract period of the inter-plant shipments and transfers mentioned under "General" on the last page of your letter.
- e. In point 1 - deductions, we mean by road tar applications the cost of operating Koppers' owned road tar distributors, if they are operated in your area, to apply road tar produced and sold by the Carrollville plant. If such road tar application is done by outside contractors, these charges are deducted from sales

just the same as freight in arriving at "total proceeds of sales to customers on an f.o.b. KOPPERS' PLANT basis."

- f. In point 5 - deductions, we have indicated that by value we mean revenue from sales.
- g. In point 7 - deductions, "Proceeds of sales of COAL TAR" means the revenue we obtain from selling such tar to customers. The reason these sales are eliminated is twofold. In the first place, we eliminate the quantity of tar sold to customers from the divisor, defined in the second paragraph on page 6, which is used to obtain Net Sales Revenue per gallon. In the second place, the small quantity of crude tar we would sell to customers would be sold at a lower price than the average revenue of the plant so that if such sales were included, the plant revenue would be lower, and you would be penalized unfairly.
- h. We admit that it may seem superfluous to add the value of coal tar shipped to our other plants under point 5 of the additions and then deduct it under point 7 of the deductions. However, this is done in order to account for all the coal tar gallonage. When we arrived at the gallons of coal tar used, which is the divisor, (paragraph 3, page 6), the total gallons of coal tar sold (both to customers and our own plants) is deducted. Therefore, to be consistent, the value of such coal tar sold (a combination of the revenue from coal tar sales to customers and the cost of coal tar shipped to our plants) must also be deducted. Since the coal tar sales to our plants are not in the "proceeds of sales to customers" from which the deductions are made, an item covering coal tar sold to our plants must be added to offset the deduction of such sales made under point 7.

In the first paragraph on page 9 we have rewritten the last paragraph of Article VII so that should products other than those listed or those produced in specialty plants be produced, we can both agree on a revision of the Net Sales Revenue to include such products. When we wrote this paragraph originally, it was only meant that unusual cost other than regular expenses should be deducted in determining the Net Sales Revenue, since quite possibly large plant investment together with research and development would be necessary in order to produce or promote the sale of such products. As we have rewritten the paragraph, these factors can be discussed with you when we are deciding whether or not such additional products shall be produced.

Article IX as rewritten provides that you shall maintain storage consistent with your current tar production, in which event we agree to take delivery of the tar as produced.

Under DEFINITIONS in Article X we have defined water as weighing 8.33 pounds per gallon as you requested. We agree that you do not have, nor contemplate the installation of, water gas plant facilities. However, "COAL TAR" mentioned in

Mr. Louis G. Kreuz

3.

Article X refers to all the crude coal tar handled at the Carrollville plant (defined in Article VII, lines 4, 5, and 6, paragraph 2, page 6). Since a portion of this COAL TAR could originate from sources other than Milwaukee and all COAL TAR is used in arriving at the divisor for determining the Net Sales Revenue per gallon, water gas tar or any similar products must be defined as non-coal tar so that they will be automatically excluded.

In Article XII we have made the notation of the amendment dates of the previous agreement as you requested.

We hope that this agreement, as rewritten, will be satisfactory and will appreciate your signing and returning both copies to us so that we can have them executed on our part and return one copy to you for your files.

Very truly yours,

KOPPERS COMPANY, INC.
Tar Products Division

T. H. Bartholomew
Contract Manager

THB:LEB

P.S. On page 3 of your letter you question our reason for putting in point 10 (switching, cartage and drayage charges) under deductions. On checking, I find that this particular type of deduction does not occur at the Carrollville Plant and therefore we have eliminated it from the rewritten contract.

The above was added to the letter by Mr. Bartholomew. Miss Mehaffy called and asked me to insert on our copy of the letter.

b.v.



TAR PRODUCTS DIVISION
KOPPERS COMPANY, INC.

FILE COPY

File

J. Donald May

Control Section

Hillsboro Railway Coke Company

Procurement Department

January 10, 1951

We are enclosing, for the permanent contract files, a printed copy of amendment letter dated October 23, 1950, which you will wish to attach to your copy of our agreement with the subject company dated January 2, 1948. It covers the contract period November 1, 1950, to October 31, 1951, and sets a new mill day price effective November 1, 1950.

Two copies are enclosed for your use and that of the Accounting Department.

H. E. Cummings

H. E. Cummings

12-1

Enclosure-3

2cc: Mr. L. E. O'Brien (2 encls.)
cc: Mr. W. J. King-Ash: Mr. F. J. Bricker (enc.)
cc: Mr. T. O. Lloyd (enc.)
cc: Mr. R. A. Aorn (enc.)

October 23, 1950

Mr. Louis G. Kreus
Milwaukee Solvay Coke Company
743 North Milwaukee Street
Milwaukee 1, Wisconsin

Dear Mr. Kreus:

This will confirm your discussion with Mr. Bartholomew in your office last week. While we fully appreciate your disappointment in the tar price earned under the terms of the current Tar Agreement, we are sure you are aware of the economic and competitive factors which caused the decline in revenue at the Carrollville plant for the contract year ending October 31, 1950.

It is our wish to do everything possible to help you in this situation and with this in mind, we have decided to pay you your billing price of \$3.5¢ per gallon for the tar deliveries during said contract year if, as latest reports indicate, this price is higher than the contract price for the period determined under the Tar Agreement as amended.

All indications at this time seem to point to improved revenue at Carrollville for the contract year beginning November 1, 1950. If you are agreeable, we will be willing to extend the amendment to the price clause of Article IV of the Tar Agreement dated January 2, 1948, as covered by our letter of December 2, 1949, for another contract period beginning November 1, 1950 and ending October 31, 1951. It will, of course, be understood that as of November 1, 1951, article IV of said Tar Agreement as originally written shall be controlling on the parties and this extension of the amendment to Article IV shall be null and void after October 31, 1951. Provided you decide to continue the amended contract price arrangement for another year, it would be our suggestion that you bill us for tar deliveries beginning November 1, 1950, until further notice, at \$4 per gallon; then, as the year progresses, we can discuss actual return against that estimated and decide when any adjustment in the billing price is necessary.

If you approve of the arrangement outlined above for determining the price to be paid for your tar delivered to us during the contract year ending October 31, 1950, and if the extension of the amendment to Article IV is acceptable, will you please sign and return one copy of this letter to us.

Cordially yours

AMERICAN SOLVAY COMPANY, INC.

ACCEPTED:

MILWAUKEE SOLVAY COKE COMPANY

By Louis G. Kreus
Vice President

R. W. Holmes
Divisional Vice President

Copies: J. Donald May (2)
A. W. O'Brien (2) - Unpriced
A. C. King, Atty. Gen. - Pricker
U. D. Reed

September 21, 1950

Mr. Louis G. Kreuz
Milwaukee Solvay Coke Company
740 North Milwaukee Street
Milwaukee 1, Wisconsin

Dear Mr. Kreuz:

Our letter agreement of December 2, 1949 amended Article IV of our Tar Agreement dated January 2, 1948 for the contract period November 1, 1949 to October 31, 1950 inclusive, after which the Article IV as originally written was to become controlling on the parties. Furthermore, this letter agreement provided that a minimum price for the contract period beginning November 1, 1950 was to be determined by mutual agreement by October 1, 1950.

It was with the idea of arranging a meeting for negotiating a minimum price for the contract period beginning November 1, 1950, that I phoned your office yesterday. Unfortunately, I understand from Mr. Bohl that you are in the midst of labor negotiations, which will prevent your seeing us until sometime after October 1. We fully understand your position but hope that the discussion concerning a minimum price for next year will not be too long postponed inasmuch as we should agree upon a minimum price before November 1. I am available for a discussion of next year's price at your convenience and trust that you can see me at least before October 15.

I am certainly sorry circumstances prevented our meeting at this time, since, as you requested, I had arranged for Mr. Boyd, our Mid-Western District Sales Manager, to accompany me to give you a first hand report on our sales program for the Carrollville plant. However, if you will let us know what dates after October 1 will be convenient, I am sure we can arrange a mutually satisfactory time for this meeting.

We will look forward to hearing from you in this regard.

Cordially yours

KOPPERS COMPANY, INC.
Tar Products Division

cc: Mr. W. O. Boyd
Mr. H. B. Cummings
Mr. B. A. Horn

T. H. Bartholomew
Contract Manager

THB:MES

File

J. Donald May

Control Section

Milwaukee Railway Coke Company

Planning and Procurement

December 19, 1949

Contract

We are enclosing, for the permanent contract files, signed copy of amendment letter dated December 2, 1949, to be attached to our tar agreement dated January 2, 1948.

For your use and that of our Accounting Department, two copies of the amendment letter are enclosed.

js(2)

H. B. Cummings

Enclosures

cc: Mr. A. D. King-Attn: Mr. F.J. Bricker (enc. one copy)
Mr. E. J. O'Brien (enc. 2 unpriced copies)
Mr. W. G. Boyd (enc. one copy)
Mr. R. A. Horn, Jr. (enc. one copy)

December 2, 1949

Mr. Louis G. Kreuz
Milwaukee Solvay Coke Company
740 North Milwaukee Street
Milwaukee 1, Wisconsin

Dear Mr. Kreuz:

Confirming the agreement reached in your office December 1, 1949, we propose to amend the Tar Agreement dated January 2, 1948 as follows:

For the contract period beginning November 1, 1949 and ending October 31, 1950, the terms set forth in the first three grammatical paragraphs of Article IV of the aforementioned Agreement shall be suspended and in lieu thereof the terms hereinafter mentioned shall be in full force and effect:

"ARTICLE IV

PRICE

"PURCHASER shall pay SELLER on or before the twenty-fifty (25th) day of each calendar month during the contract period beginning November 1, 1949 and ending October 31, 1950 for all tar as corrected in accordance with the provisions of Articles VII and VIII hereof, and delivered to and accepted by PURCHASER under the terms hereof during the preceding calendar month at a billing price per gallon, to be mutually agreed upon from time to time by PURCHASER and SELLER so that the year-end adjustment shall be held to a minimum.

"If for said contract period the contract price per gallon, as hereinafter defined, exceeds the billing price per gallon as provided, PURCHASER shall in addition to paying said billing price per gallon make an additional payment to SELLER, or if said billing price per gallon exceeds said contract price per gallon, SELLER shall make a refund to PURCHASER which additional payment or refund, as the case may be, shall be determined by multiplying the total number of gallons of tar delivered hereunder by SELLER to PURCHASER during the said contract period by the difference between said contract price per gallon and said billing price per gallon. Such additional payments or refunds, as the case

Mr. Louis G. Kraus

December 2, 1949

Page 2

may be, shall be made as soon as possible after the determination of the Net Sales Revenue per gallon, as hereinafter defined.

"The contract price per gallon for the tar delivered during the said contract period shall be equal to fifty-five per cent. (55%) of the first eight and one-half cents (8-1/2¢) of the Net Sales Revenue per gallon, as hereinafter defined, and seventy per cent. (70%) of said Net Sales Revenue per gallon in excess of the said first eight and one-half cents (8-1/2¢).

"A minimum price for the contract period beginning November 1, 1950 shall be determined by mutual agreement by October 1, 1950."

It is understood that as of November 1, 1950 Article IV of our Tar Agreement dated January 2, 1949 as originally written shall be controlling on the parties and this letter agreement amending said Article IV shall be null and void except to the extent of obligations arising during the contract period November 1, 1949 to October 11, 1950, inclusive.

Will you please signify your acceptance of the above amendment to the Tar Agreement by signing a copy of this letter and returning it to us.

Cordially yours

KETTER COMPANY, INC.
Tar Products Division

E. A. Burke
Divisional Vice President

ADDRESSEE

MILWAUKEE COLLEGE OF ENGINEERING

BY

John J. O'Brien
Vice President

THB:mas

cc - Mr. J. Donald May - 2
Mr. R. D. King, Attn: F. J. Bricker
Mr. A. M. O'Brien - 2
Mr. W. C. Boyd
Mr. S. A. Horn, Law Dept.